THE CANADIAN WHEAT BOARD

ANNUAL REPORT 1985-86

The cover is a montage of stamps depicting agricultural scenes in some of Canada's major grain customer countries.

THE CANADIAN WHEAT BOARD

Head Office
423 Main Street, Winnipeg, Manitoba
Area Code 204 — Telephone No. 949-3416
Postal Code R3B 1B3

Montreal, Quebec
312 Board of Trade Building
300 St. Sacrament Street
Area Code 514 — Telephone No. 849-6261
Postal Code H2Y 1X4

Tokyo 107, Japan
3rd Floor, Kowa No. 3 Building
11 - 45 Akasaka 1 - Chome
Minato-ku
Area Code 581 — Telephone No. 583-4291

Vancouver, British Columbia
650 Marine Building, 355 Burrard Street
Area Code 604 — Telephone No. 666-2992
Postal Code V6C 2G8

Copies of this Annual Report are available in French upon request.

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Honourable Charles Mayer
Minister of State for the
Canadian Wheat Board
Ottawa, Ontario

Winnipeg, Manitoba
March 31, 1987.

Sir:

We are pleased to submit the Annual Report of the Canadian Wheat Board for the crop year ending July 31, 1986, as required by the Canadian Wheat Board Act.

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PART I
THE INTERNATIONAL GRAIN MARKET

INTRODUCTION

For grain producers in Western Canada, 1985-86 was a difficult year. While farmers in eastern Saskatchewan and Manitoba generally enjoyed abundant and timely rainfalls, and hence high yields, those in western Saskatchewan, Alberta and the Peace River experienced drought and grasshoppers. This was followed by a generally wet harvest period on the Prairies which resulted in a lower-than-normal proportion of high-grade wheat. While 1985 Canadian wheat production was 14 per cent higher than the drought-reduced level of 1984, it was significantly below that of 1982 and 1983. Meanwhile, price-depressing stocks of wheat and coarse grains continued to build on the world market. In 1985-86, the world produced another large wheat crop and a record coarse grains crop. World output of the other major cereal, rice, was also at a record level, resulting in a record world cereals outturn of over 1.8 billion tonnes. Although world grain prices were significantly lower than in 1984-85, trade volume did not increase. In fact, quite the opposite was true. Due to larger crops in some of the major grain-importing countries, world trade in wheat and coarse grains was down 18 per-cent from 1984-85.

WHEAT

Production

World wheat production in 1985 was 504 million tonnes, down 2.5 per cent or 13 million tonnes from 1984. This was the first decline in six years. As a result of less-than-ideal growing and harvesting conditions, wheat output was down by over 16 million tonnes in Europe (East and West). However, generally favorable growing conditions in the U.S.S.R. resulted in its 1985 production being almost 10 million tonnes above the previous year. Due largely to a nine per cent decrease in winter wheat area (particularly Soft Red Winter), U.S. wheat production in 1985 was down by almost five million tonnes (or seven per cent) from 1984. But higher output in both Canada and Mexico all but made up for the U.S. production decline. Due to less-than-ideal growing conditions and reduced seeded area, Australian wheat production was significantly below that of the previous year. Meanwhile, Argentine wheat production was also down by close to five million tonnes due to less than ideal growing and harvesting conditions. Brazil's wheat outturn, on the other hand, was up by over 100 per cent from the previous year. Generally favorable growing conditions in North Africa and the Mediterranean area resulted in over an one-million-tonne increase in wheat output in the region.

TABLE 1
WORLD WHEAT PRODUCTION

	1984	1985[1]
	(Thousands of Tonnes)	
EUROPE	129 056	113 174
EEC[2]	75 961	65 838
Others	53 095	47 336
U.S.S.R.	68 600	78 100
NORTH AND CENTRAL AMERICA	96 312	94 853
U.S.A.	70 618	66 001
Canada	21 199	24 252
Others	4 495	4 600
SOUTH AMERICA	17 417	14 632
Argentina	13 600	8 500
Brazil	1 965	4 329
Others	1 852	1 803
ASIA	150 632	148 121
China	87 820	85 500
India	45 476	44 229
Others	17 336	18 392
MIDDLE EAST	26 143	27 812
Iran	6 000	6 500
Syria	1 068	1 700
Turkey	17 235	17 032
Others	1 840	2 580
AFRICA	9 359	10 554
Algeria	1 200	1 647
Egypt	1 815	1 873
Morocco	1 989	2 359
South Africa	2 332	1 790
Others	2 023	2 885
OCEANIA	18 914	16 453
Australia	18 630	16 050
Others	284	403
Others Unspecified	267	—
WORLD TOTAL	516 700	503 699

[1] Preliminary: Subject to Revision
[2] Ten Member States
Source: For Canada — Statistics Canada
United States
— USDA Crop Production, November 1986
For all other countries
— IWC World Wheat Statistics 1986

Wheat output in Asia in 1985 was similar to 1984. Production declined in the the People's Republic of China and India but increased in Pakistan, Bangladesh, Iran and Turkey. China continued to be the world's largest wheat producer.

Trade

At 83.9 million tonnes, world trade in wheat and flour (including durum) was down almost 20 per cent from the all-time record of 104.1 million tonnes reached in 1984-85. The most significant feature of the 1985-86 crop year was the dramatic drop in Soviet wheat imports from the previous year as a result of a return to a more normal crop outturn. This 42-per cent decline (down 11.8 million tonnes) in U.S.S.R. wheat imports accounted for over one half of the 20.2-million-tonne decline in world wheat trade. Wheat imports by a number of other countries were also significantly lower in 1985-86. Brazil, Morocco, Iran, Iraq, Nigeria, Bangladesh, China, Syria, Poland, and Mexico reduced their wheat imports either because of increased domestic output or because of a shortage of foreign exchange. Brazil is an example of the former while previously oil-rich Nigeria is an example of the latter.

Unlike all other regions, Western European wheat imports in 1985-86 were higher than in 1984-85. An abnormally wet harvest in the EEC resulted in a strong demand for high-quality North American wheats.

Except for Australia, wheat exports by each of the five major exporters (normally accounting for over 80 per cent of world exports) were all somewhat lower due to the overall decline in world wheat trade in 1985-86. The U.S., however, bore the brunt of the decline; its wheat exports were down by 13.1 million tonnes or 34 per cent from the previous year. In spite of its long-term agreement with the U.S., the Soviets effectively refused to purchase in the U.S. wheat market as a result of being excluded from the Export Enhancement Program (EEP). At the same time the People's Republic of China also reduced its wheat purchases from the U.S.

One of the important features of the 1985-86 world market was the growing use and trade of wheat as a feed grain. Major feed wheat exporters included Canada, Australia and the EEC. Major importers included South Korea, Mexico and the U.S.S.R. From less than one million tonnes in 1984-85, world trade in feed wheat increased to almost two million tonnes in 1985-86. This increase is indicative of the generally low levels of world wheat prices.

TABLE 2
EXPORTS OF WHEAT AND WHEAT FLOUR
By Principal Exporter (July-June Crop Year)

	1984-85	1985-86[1]
	(Thousands of Tonnes)	
Argentina	7 966	6 200
Australia	15 090	16 100
Canada	17 541	17 683
United States	38 092	25 000
EEC	17 234[2]	14 300[3]
Others	8 196	4 617
WORLD TOTAL	104 119	83 900

[1] Preliminary: Subject to Revision
[2] Ten Member States
[3] Twelve Member States
Source: Statistics Canada and Canadian Grain Commission (Aug.-July Crop Year)
USDA Foreign Agriculture Circular, December 1986
All others — IWC World Wheat Statistics for 1984-1985
For 1985-86 IWC Market Report, February 1987

Although Australia's wheat production in 1985 was significantly lower than in 1984, larger than normal carryin put Australia in a position to achieve record exports. Canadian wheat carryover from the 1984-85 crop year, on the other hand, was at a post World War II low, hence Canadian wheat exports were restricted largely by a shortage of exportable supplies as a result of a poor crop, particularly supplies of the higher grades. Like Canada, Argentine wheat exports were also restricted by available supplies, due to its disappointing harvest in 1985 compared to the near record output in 1984. EEC-12 wheat exports in 1985-86 were also significantly lower than the previous year. A number of factors were responsible: a very competitive export market as the U.S.A. and the EEC attempted to increase/regain their export market shares through the use of subsidies; a large and growing inventory of low-quality wheat in the EEC from an all-time record crop in 1984 and a good crop in 1985; severe budgetary problems in the European Commission itself as a result of the above factors. Saudi Arabia, for the first time, became a commercial exporter of wheat in 1985-86. India was again an exporter in 1985-86.

Carryover Stocks

World carryover stocks of wheat at the end of the 1985-86 crop year were up by about 14.6 million tonnes, the fifth consecutive year of stocks buildup. Due to short crops and very aggressive marketing by Argentina, Australia and Canada (all countries with only limited producer price support and storage programs), the buildup in wheat carryover stocks was

largely confined to the EEC-12 and the U.S., particularily the latter. Wheat stocks at crop year end were up by 14.6 million tonnes (or 11 per cent).

TABLE 3
WORLD WHEAT CARRYOVER STOCKS

	1984	1985[1]
	(Thousands of Tonnes)	
EUROPE	24 072	32 218
EEC	8 580	15 925
Others	15 492	16 293
NORTH & CENTRAL AMERICA	47 651	46 983
U.S.A.	38 075	38 782
Canada	9 190	7 461
Others	386	740
SOUTH AMERICA	4 166	3 245
Brazil	2 382	2 322
Argentina	1 099	468
Others	685	455
ASIA	38 167	46 354
China	20 100	26 400
India	11 919	14 881
Others	6 248	5 073
MIDDLE EAST	7 512	6 797
Iran	3 975	3 000
Iraq	1 623	1 410
Turkey	204	250
Others	1 710	2 137
AFRICA	3 177	2 701
Algeria	360	300
Egypt	1 224	710
Morocco	400	480
South Africa	667	720
Others	527	491
OCEANIA	7 558	8 592
Australia	7 558	8 592
WORLD TOTAL	132 303	146 890

[1] Preliminary: Subject to Revision

Source: IWC World Wheat Statistics 1986

Much of the U.S. wheat carryover was isolated from the market and held under government programs (i.e. CCC Stocks; Farmer Owned Reserve; 9-Month Loan Program).

Price

The international wheat price continued its fall in 1985-86. The 1985-86 crop year will be remembered as the year that the U.S.A. and EEC entered into an all out trade war in grains. The U.S., through its Bonus Incentive Commodity Export Program (BICEP), later called the Export Enhancement Program (EEP), and the EEC through its export restitutions attempted to regain/maintain market share at the expense of each other and at times even Canada, Australia and Argentina. The main beneficiaries were buyers. From the already depressed levels of the 1984-85 crop year, average U.S. f.o.b. prices at the Gulf for Hard Winter Ordinary wheat dropped another 13 per cent during 1985-86. When EEP bonus payments to U.S. exporters are factored in, the effective price decline from 1984-85 was closer to 45 per cent. In anticipation of the dropping of the U.S. wheat loan rate from U.S.$3.30 per bushel to $2.40 per bushel under the U.S. Food Security Act of 1985, would-be buyers of U.S. wheat began delaying their purchases until the beginning of the new crop year, June 1st, 1986. This action alone put significant downward pressure on U.S. and hence world wheat market prices. Meanwhile, EEC wheat export rebates increased from U.S.$12/tonne on July 4, 1985, to U.S.$96/tonne on May 16, 1986.

DURUM

Production

World production of durum in 1985 was 24.6 million tonnes, up one million tonnes from 1984. Excellent growing and harvesting conditions in the North African countries of Algeria, Morocco and Tunisia, plus record yields in the U.S., were the major contributing factors to this increase in world durum output in 1985. At just under two million tonnes, Canadian durum production was down for the third consecutive year. A summer drought in much of the Prairie durum area followed by a wet harvest resulted in reduced export availabilities and a larger-than-normal quantity of lower grades.

Trade

World trade in durum in 1985-86 at 3.475 million tonnes was slightly above that of 1984-85. Although import demand sagged somewhat in the EEC, Venezuela and Tunisia, Algeria took advantage of the declining prices and purchased near-record quantities from North America. Due to lack of export availabilities of durum, particularly the higher grades, Canadian durum exports of 1.385 million tonnes were the lowest since 1978-79. EEC-12 exports, at .5 million tonnes, were significantly above the previous year. Large quantities of EEC durum were exported to the U.S.S.R. as bulk grain and to Algeria as semolina.

TABLE 4
WORLD DURUM PRODUCTION

	1984	1985[1]
	(Thousands of Tonnes)	
WESTERN EUROPE	6 670	5 740
Austria	48	51
EEC[2]	6 058	5 261
France	568	643
Greece	846	646
Italy	4 595	3 851
Portugal	38	29
Spain	503	376
NORTH AMERICA	5 000	5 170
Canada	2 085	1 957
U.S.A.	2 815	3 062
SOUTH AMERICA	180	130
Argentina	79	29
MIDDLE EAST	6 340	6 740
Syria	430	680
Turkey	5 500	5 500
NORTH AFRICA	2 540	3 810
Algeria	490	1 071
Morocco	70	100
Tunisia	584	1 069
Others[3]	3 040	3 040
WORLD TOTAL	23 800	24 600

[1] Preliminary: Subject to Revision
[2] Ten Member States
[3] Includes Estimates for the U.S.S.R. & Other Centrally Planned Countries
Source: IWC World Wheat Statistics

TABLE 5
EXPORTS OF DURUM BY PRINCIPAL EXPORTERS

	1984-85	1985-86[1&3]
	(Thousands of Tonnes)	
Canada[2]	1 826	1 385
EEC	101	490
U.S.A.	1 378	1 377
Others	150	223
WORLD TOTAL	3 455	3 475

[1] Preliminary: Subject to Revision
[2] August-July Crop Year
[3] July-June Crop Year
Source: Canada — Statistics Canada "Grain Trade of Canada" and Canadian Grain Commission "Canadian Grain Exports"
All Others — IWC World Wheat Situation 1984-85
For 1985-86 — IWC Market Report February 1987

Carryover

At the end of 1985-86, durum carryover stocks in the major exporting countries were up by some 300 000 tonnes. This was despite the fact that durum production declined in the EEC and Canada, two of the world's major durum exporters. Durum carryover stocks declined by 20 per cent in the EEC, increased by 11 per cent in Canada and by 25 per cent in the U.S. Combined durum carryover stocks in the EEC, Canada and the U.S. at the end of 1985-86 were just over five million tonnes. This compares to almost 4.8 million tonnes carryover in 1984-85.

TABLE 6
WORLD DURUM CARRYOVER STOCKS IN THE MAJOR EXPORTING COUNTRIES

	1984-85	1985-86
	(Thousands of Tonnes)	
Canada (August/July)	764	524
EEC-12 (July/June)	1 500	1 200
U.S.A. (June/May)	2 722	3 393
WORLD TOTAL	4 746	5 080

Source: IWC Market Report, February 4, 1987 for world total
EEC & U.S.A.
Statistics Canada for Canadian figures.

Price

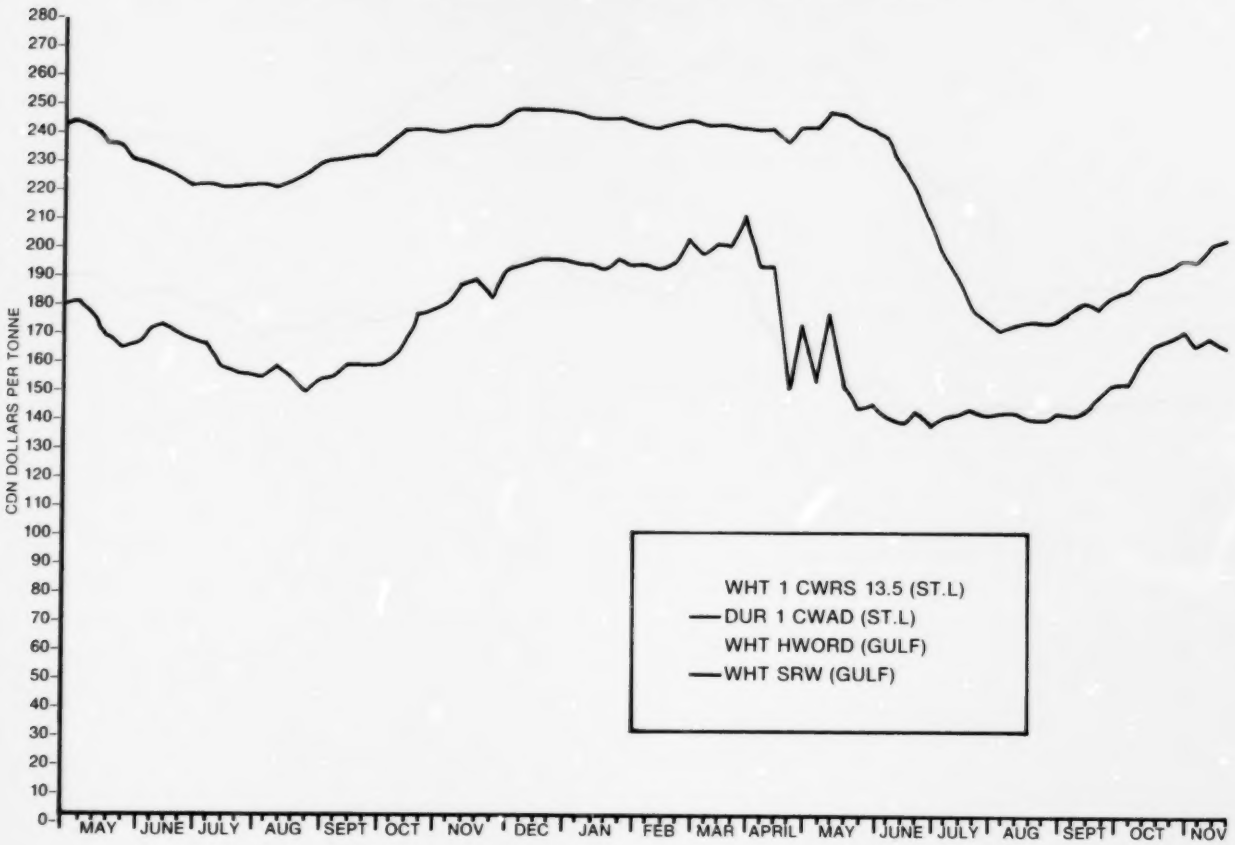
Due to the relative shortage of high-quality durum supplies from Canada, world prices for durum were at a premium to milling wheat prices for most of 1985-86. After June 1986, however, world durum prices began to soften with the prospect of favorable 1986 Canadian and U.S. crops. Over the 1985-86 Canadian crop year, durum prices averaged about eight per cent to 10 per cent higher than milling wheat prices. This occurred in spite of the fact that throughout the year the U.S. was threating to offer EEP durum and semolina to specific markets. (In April 1986, Tunisia purchased 50 000 tonnes of EEP durum with a bonus of U.S.$26.91 being paid to the successful exporting firm.)

COARSE GRAINS

Production

World coarse grains production was up again in 1985 reaching an all-time record of 845.9 million tonnes. Coarse grains production was up significantly in the U.S.A., U.S.S.R., Canada, Mexico, Nigeria, Romania and Thailand. A 23-million-tonne increase in world corn output, from 462 million tonnes to 485 million tonnes, was largely responsible for the dramatic increase in world coarse grains production. A huge U.S. corn crop of 225.5 million tonnes was up 16 per cent over the large crop of 1984. Favorable growing conditions combined with an increase in the seeded area resulted in an all-time record U.S. corn

GRAPH 1
WEEKLY F.O.B. COMPARATIVE PRICE ANALYSIS



crop. World barley production, at 178.5 million tonnes, was up 3.6 million over 1984 primarily due to increased production in Eastern Europe, the U.S.S.R., North Africa and Canada. Barley production declines were registered in Western Europe, Australia and parts of Asia. World production of sorghum and oats was also higher in 1985 by 6.9 million tonnes and 4.8 million tonnes respectively. World rye production on the other hand declined by 2.3 million tonnes due to reduced output in Eastern Europe and North America.

Trade

At 86.3 million tonnes, world trade in coarse grains was down almost 15 per cent (15.6 million tonnes) from the near record level in 1984-85. Although coarse grain imports were up somewhat in Eastern Europe, Brazil, Japan, Saudi Arabia and South Korea, imports by the U.S.S.R., Mexico, South Africa and Western Europe were in total down by 20 million tonnes. Indicative of this decline was the 35 per cent (20 million tonnes) drop in U.S. coarse grain exports. The U.S. share of the world coarse grains market declined from 56 per cent in 1984-85 to 42 per cent in 1985-86. U.S. corn exports, which were down by 32 per cent from 1984-85, bore most of the brunt of this overall decline in world coarse grain trade in 1985-86. Overall world trade in corn was down by 19 per cent, barley by two per cent and sorghum by 28 per cent. Trade in the minor coarse grains, rye, millet, and miscellaneous grains was down by five per cent from the previous year.

Apart from the U.S., the other major coarse grains exporters generally maintained their positions in the world market. China continued to be a significant factor as a corn exporter and South Africa re-emerged as a corn exporter after a series of droughts which

TABLE 7
WORLD PRODUCTION OF COARSE GRAINS

	1984	1985[1]
	(Millions of Tonnes)	
WESTERN EUROPE	104.5	102.0
EEC[2]	90.3	88.7
Denmark	6.8	6.0
France	25.1	26.4
Germany, Fed. Rep. of	16.2	15.7
Italy	8.9	8.4
Spain	14.5	15.1
United Kingdom	11.7	10.4
Others EEC	7.1	6.7
Sweden	5.1	4.3
Others	9.1	9.0
EASTERN EUROPE	72.3	70.2
Hungary	8.3	8.2
Poland	18.3	17.2
Romania	15.8	17.2
Yugoslavia	12.4	10.9
Others	17.5	16.7
U.S.S.R.	90.5	100.0
NORTH AND CENTRAL AMERICA	286.0	322.4
Canada	22.0	24.9
Mexico	18.7	19.8
U.S.A.	237.7	274.4
Others	7.6	3.3
SOUTH AMERICA	45.3	41.2
Argentina	17.8	18.0
Brazil	21.7	18.6
Others	5.8	4.6
ASIA	158.0	153.5
China	95.0	88.0
India	32.0	29.0
Indonesia	5.2	5.1
Thailand	4.9	5.5
Turkey	7.9	8.0
Others	13.0	17.9
AFRICA	43.9	48.0
Egypt Arab Rep. of	3.6	4.0
Nigeria	8.7	9.8
South Africa	8.2	8.3
Others	23.4	25.9
OCEANIA	9.3	8.6
Australia	8.9	8.1
Others	.4	.5
Others Unspecified	1.0	—
WORLD TOTAL	810.8	845.9

[1] Preliminary: Subject to Revision
[2] Twelve Member States

Source: For Canada — Statistics Canada
United States — USDA Foreign Agriculture Circular, December 1986
For all other countries — IWC Review of the World Wheat Situation, 1984-85
For 1985 IWC Market Report, February 1987
Coarse Grains Include Corn, Sorghum, Barley, Oats, Rye, Millet & Mixed Grains

had all but eliminated its participation in the coarse grains market for a few years.

TABLE 8
EXPORTS OF COARSE GRAINS
By Principal Exporters (July-June Crop Year)

	1984-85	1985-86[1]
	(Millions of Tonnes)	
Argentina	10.6	9.5
Australia	7.4	5.7
Canada	3.6	4.4
EEC[2 3]	8.5	8.7
South Africa	—	1.1
Thailand	3.4	4.2
U.S.A.	56.6	36.6
Others	11.8	16.1
WORLD TOTAL	101.9	86.3

[1] Preliminary: Subject to Revision
[2] Twelve Member States
[3] Excluding EEC Intra-Trade
Source: Canadian Grain Commission — Canadian Grain Exports (August-July crop year)
USDA — Foreign Agriculture Circular, December 1986
All Others — IWC Review of the World Wheat Situation for 1984-85
For 1985-86 I.W.C. Market Report Feb/87

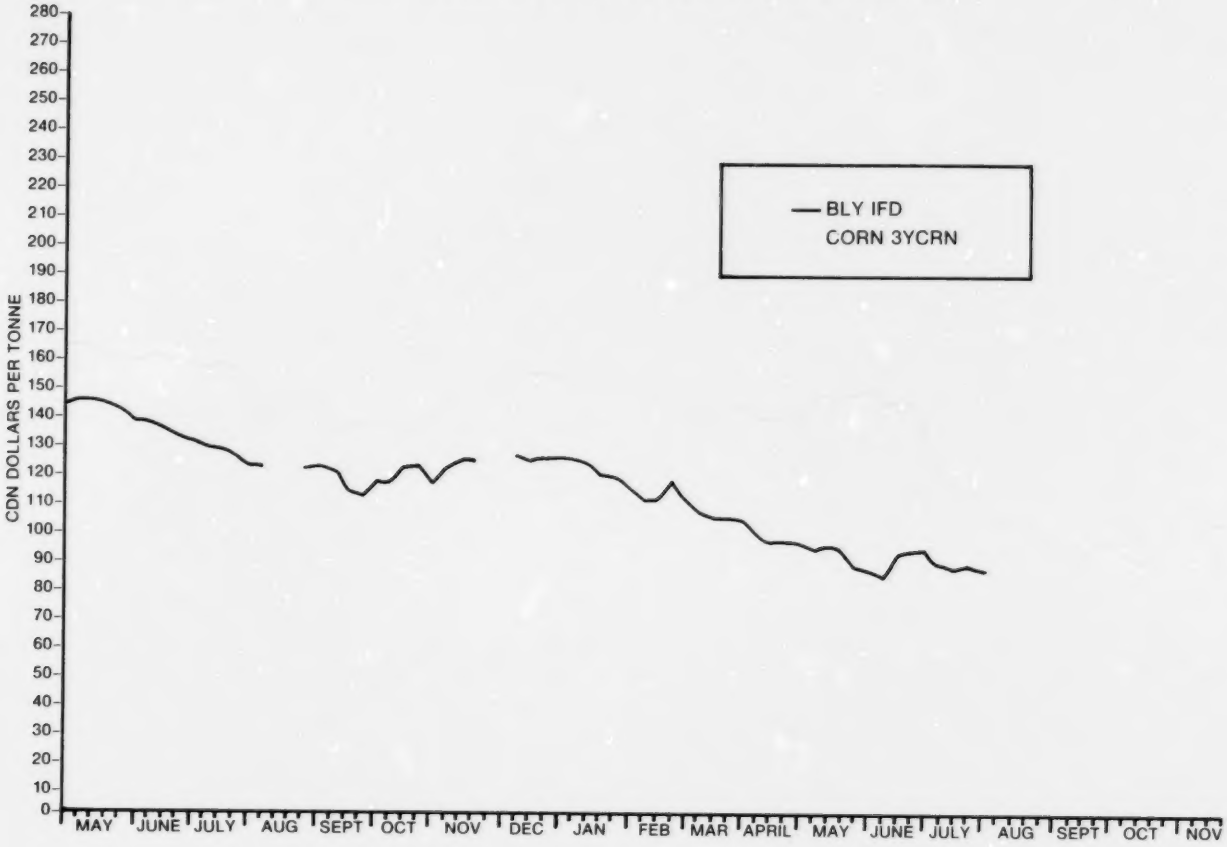
Carryover Stocks

The record level of world coarse grains production in 1985 combined with the significant downturn in world coarse grains trade resulted in a dramatic buildup in carryover stocks. At the end of the 1984-85 crop year, world coarse grains carryover stood at 106 million tonnes. By the end of the respective 1985-86 marketing years in each of the major exporters, total world coarse grains carryover had risen by 61 million tonnes or 58 per cent to 167 million tonnes. U.S. coarse grain stocks at year end were up by almost 70 million tonnes.

Price

Needless to say, with such large stocks overhanging the world market there was considerable downward pressure on coarse grains prices throughout most of the crop year. Supported by the U.S. regular loan rate and a tight "free stocks" situation, U.S. quoted f.o.b. prices for corn hovered around U.S.$110 per tonne for much of the year while Argentina quoted prices of $10-$15 per tonne under the U.S. price. However, with the prospect of good crops again in 1986, the availability of large volumes of feed wheat and a lower U.S. corn loan rate beginning September 1st, prices began to fall in mid-1986. All of these factors contributed to an extremely bearish tone

GRAPH 2
WEEKLY F.O.B. COMPARATIVE PRICE ANALYSIS



for all coarse grains prices throughout the year. As well, pending EEP initiatives for U.S. barley in markets such as Saudi Arabia and Algeria put a damper on overall coarse grains prices. The accession of Spain and Portugal into the EEC and the consequent drop in U.S. corn imports by these countries further exacerbated an already bearish situation in the world coarse grains market.

BARLEY

Production

World output of barley in 1985, at 177.2 million tonnes, was up marginally from 1984. Although barley production was down in Western Europe (after a record output in 1984), timely rains in North Africa, a larger seeded area in Canada and generally good growing and harvesting conditions in Eastern Europe and the U.S.S.R. resulted in world output being up by 2.8 million tonnes.

Trade

Total world trade in barley in 1985-86 at 18.6 million tonnes was little changed from 1984-85. However, the market shares of three of the four major exporters shifted somewhat. Canadian barley exports in 1985-86 increased 800 000 tonnes over 1984-85. This five per cent increase in world barley market share was largely attributable to increased exports of feed barley to Saudi Arabia and a new market opportunity for feed barley which opened up in the People's Republic of China. EEC-12 barley exports decreased in 1985-86, from 7.9 million tonnes to 7.4 million tonnes for a market share decrease of over four per cent. The U.S. meanwhile saw their barley exports drop from 1.2 million tonnes to 800 000 tonnes for a market

TABLE 9
WORLD BARLEY PRODUCTION

	1984	1985[1]
	(Millions of Tonnes)	
Australia	5.6	4.9
Canada	10.3	12.4
CHINA	7.3	6.2
Eastern Europe	17.1	16.9
EEC[2]	54.5	50.8
U.S.A.	13.0	12.9
U.S.S.R.	41.8	46.5
Others	24.8	26.6
WORLD TOTAL	174.4	177.2

[1] Subject to Revision
[2] Twelve Member States
Source: U.S.D.A. Foreign Agriculture Circular, December 1986 for all other countries except Canada
Canada: Statistics Canada

share decline of six per cent. Australia, the world's second largest barley exporter in 1984-85 and 1985-86 had exports of 4.7 and 3.8 respectively million tonnes.

On a regional basis, barley imports in 1985-86 were up significantly in Eastern Europe but down in the U.S.S.R. and North Africa. The world's major barley markets in 1985-86 were again Saudi Arabia, the U.S.S.R., Japan and the German Democratic Republic.

TABLE 10
EXPORTS OF BARLEY

	1984-85	1985-86[1]
	(Millions of Tonnes)	
Australia	4.7	3.8
Canada	2.8	3.6
EEC[2]	7.9	7.4
U.S.A.	1.2	.8
Others	1.7	3.0
WORLD TOTAL	18.3	18.6

[1] Subject to Revision
[2] Twelve Member Countries
Source: USDA Foreign Agriculture Circular for all Countries Except Canada
Canada — Statistics Canada & Canadian Grain Commission (Aug./July Crop Year)

Carryover Stocks

World carryover stocks of barley held by the four major exporters (normally accounting for upwards of 85 per cent of world barley trade) at the close of their respective crop years were estimated to be up by almost four million tonnes (23 per cent) over 1984-85. Carryover stocks were up by approximately one million tonnes in both Canada and the EEC-12, while U.S. carryover stocks were up almost two million tonnes. Australian barley stocks at crop year end were little changed from 1984-85.

Price

As with the other coarse grains, barley prices were under considerable downward pressure for the entire crop year. A large crop, a growing world inventory and falling demand resulted in a very depressed international coarse grains market. Under the pressure of mounting stocks, the U.S. in the first half of 1986 began offering EEP barley to countries such as Saudi Arabia and Algeria; later in the year, offers were made to Israel, Jordan, Cyprus and Romania. With subsidies approaching U.S.$38 per tonne, these initiatives served to destroy world barley prices. By year end, barley was being offered to targeted markets at prices as low as U.S.$64 per tonne c&f. Backed off to a Thunder Bay instore position, this equates to something less than Cdn. $50 per tonne or less than Cdn.$1 per bushel. In the same period, EEC barley export rebates increased from U.S.$32 per tonne (on July 11, 1985) to $129 per tonne (on May 16, 1986).

OATS

At 48.2 million tonnes, world oats production in 1985 was up by 11 per cent over 1984. At three million tonnes, Canadian oats production in 1985 was up somewhat over the 1984 output of 2.7 million tonnes. The area seeded to oats in Canada appears to have stabilized at about 3.7 million acres.

Global oats trade continues to be small in volume relative to other coarse grains. In most countries of the world, oats is largely consumed locally close to the areas of production. Nevertheless, some oats entered into export channels again in 1985-86. Of the major exporters, Sweden was the largest (477 000 tonnes), followed by Finland (152 000 tonnes), Australia (50 000 tonnes), Canada (43 000 tonnes) and the U.S.A. (28 000 tonnes). Canadian oats exports were confined to two markets: the U.S.A. (40 000 tonnes) and Japan (3 000 tonnes). The former was high-quality milling oats for food use while the latter was double re-cleaned race horse oats. The major destinations for Swedish and Finnish oats in 1985-86 were the U.S.S.R., U.S.A. and the EEC.

PART II
SALES OF CANADIAN GRAIN

WHEAT AND WHEAT PRODUCTS

Canadian wheat exports (including durum), at 17.7 million tonnes, were virtually the same as in 1984-85. As shown in Table 11, individual purchases by the main customers were little changed from the previous year, with the exception of the Soviet Union, which reduced purchases by 800 000 tonnes. This was offset by increases to a number of smaller customers.

Exports might have been higher had supplies of higher-quality wheat been available earlier in the crop year. Overall outward wheat carryover was up from 1984-85, but the increase was mainly in No. 3 CWRS. This grade was competing against subsidized U.S. and EC wheat, and sales for it were more difficult to find.

TABLE 11
CANADIAN WHEAT (INCLUDING DURUM) AND WHEAT FLOUR EXPORTS TO MAJOR MARKETS

	1985-86[1]	1984-85	1983-84
	(Thousands of Tonnes)		
U.S.S.R.	5 219	6 019	6 761
China	2 614	2 845	3 514
Japan	1 272	1 324	1 325
Cuba	1 137	779	1 053
Brazil	986	1 152	1 363
U.K.	702	633	955
Algeria	492	508	813
E.A.R.	482	468	686
Italy	367	240	742
Iraq	347	367	608
Venezuela	320	294	69
Others[2]	3 752	2 954	3 876
Total	17 690	17 583	21 765

[1] Preliminary — Subject to Revision
[2] Includes — Bagged Seed Exports
Source Canadian Grain Commission for 1985-86
Previous Years — Statistics Canada

DURUM WHEAT

Durum exports dropped again in 1985-86. The durum-producing area of the southern Prairies was particularly hard hit by drought in both 1984 and 1985, and supplies, especially of higher grades, were severely limited.

OATS

Oats exports continued to be relatively small in 1985-86, but were up considerably in percentage terms. Exports reached 43 000 tonnes, compared to 18 000 in 1984-85. This was mainly because of demand for quality oats in the U.S.

TABLE 12
CANADIAN DURUM EXPORTS TO MAJOR MARKETS

	1985-86[1]	1984-85	198-84
	(Thousands of Tonnes)		
Algeria	492	508	813
Italy	255	182	504
U.S.S.R.	254	533	555
Libya	108	103	93
Cuba	63	59	—
France	58	104	199
Venezuela	49	48	16
Japan	18	61	60
Others	88	228	306
Total	1 385	1 826	2 546

[1] Preliminary — Subject to Revision
Source: Canadian Grain Commission for 1985-86
Previous Years — Statistics Canada

BARLEY

Barley exports, at 3.8 million tonnes, were limited by supplies again in 1985-86, but were well up from the previous year. Table 13 shows the major customers. Saudi Arabia emerged as the largest customer during the year. Official figures in the table are slightly understated. Actual purchases are estimated at closer to a million tonnes. Saudi Arabia is now buying more barley in bulk. In previous years, most was purchased

TABLE 13
CANADIAN BARLEY EXPORTS TO MAJOR MARKETS

	1985-86[1]	1984-85	1983-84
	(Thousands of Tonnes)		
Saudi Arabia	899	—	31
Japan	839	735	820
Germany, Peoples Rep. of	571	798	1 123
U.S.S.R.	439	410	472
China	212	—	26
Israel	145	187	256
Others	487	474	2 539
Bulk Grand Total	3 592	2 604	5 267
Malt	203	177	269
Grand Total	3 795	2 781	5 536

[1] Preliminary — Subject to Revision
Source: Canadian Grain Commission for 1985-86
Previous Years — Statistics Canada

in bags. The official destination may have been shown as Belgium or Singapore, where the barley was bagged and reloaded for the Middle East.

Perhaps the most significant figure in the table is the 212 000 tonnes for China, which has purchased very little barley in the past. It's hoped this represents the beginning of a continued trend.

DOMESTIC FEED GRAIN POLICY

On August 1, 1985, the Federal Government announced changes to the Domestic Feed Grain Policy. The six changes included:

- Suspension of the corn-competitive pricing formula.
- Continuation of off-Board feed grain quotas.
- Continuation of stock switching on the Prairies.
- Authorization of use of government hopper cars for moving domestic feed grain off the Prairies to east of Thunder Bay, as long as they were not required for normal use.
- The Livestock Feed Board of Canada would continue to be responsible for monitoring supplies.
- Authority for issuing import licences for feed oats and feed barley would transfer from the Canadian Wheat Board to the Special Trade Relations Bureau of the Department of External Affairs.

The Board again made only limited sales into the domestic feed grain market in 1985-86. In the absence of the previous rigid corn-competitive formula, prices were determined by referring to prevailing levels in the area where the grain was requested.

TABLE 14
WHEAT BOARD SALES OF CANADIAN DOMESTIC FEED GRAINS

Crop year	Wheat	Oats	Barley	Total
		(Thousands of tonnes)		
1985-86	39.3	24.1	59.8	123.2
1984-85	24.1	5.3	72.1	101.5
1983-84	33.7	.8	.4	34.9
1982-83	257.6	97.7	98.2	453.5
1981-82	363.7	111.3	226.4	701.4

DOMESTIC WHEAT PRICES

Under the domestic wheat price program, Canadian millers buy wheat at export prices within a range established by the federal government. In 1985-86, the range, basis No. 1 CW, 13.5% protein at Thunder Bay, was $183.72 per tonne to $257.21 per tonne ($5.00 to $7.00 per bushel). The minimum for durum wheat, basis No. 1 CWAD at Thunder Bay, was also $183.72 per tonne, with no maximum.

As the crop year began, domestic prices reflected strong premiums for higher grade wheat, and in December, the price for No. 1 C[illegible]S was set at $254.32 per tonne for the January through March pricing period. Under normal circumstances, the April 1st price would have been readjusted downward to reflect declining export prices. However, the Board decided to use its latitude under the policy to set prices for both wheat and durum at the $257.21 maximum. This price was unchanged through the balance of the year.

FOOD AID PROGRAMS

The Canadian Government provides benefits to both needy countries and to Canadian farmers through its continuing purchases under food aid programs. Exports through both the Canadian International Development Agency (CIDA) and the World Food Program increased over 1984-85. CIDA purchases rose sharply from 285 851 tonnes in 1984-85 to 718 544 tonnes in 1985-86.

Bangladesh was the largest recipient of grain under the programs, receiving 506 322 tonnes from CIDA. Table 15 shows Canadian food aid shipments from all sources during the year.

TABLE 16
1985-86 CANADIAN GRAIN EXPORTS UNDER CREDIT AGREEMENTS

	Medium Term Credit CWB
	August 1/85-July 31/86
	(Tonnes)
WHEAT	
Brazil	980 735
Egypt (AR)	463 747
Iraq	346 500
East Germany (GDR)	48 391
Jamaica	39 375
Israel	24 997
Columbia	21 000
Sub-Total	1 924 745
BARLEY	
East Germany (GDR)	149 487
Israel	145 205
Sub-Total	294 692
TOTAL WHEAT & BARLEY	2 219 437

Sources: CWB Sales Programming as of October 24, 1986, and Treasury Division

CREDIT SALES

Sales made under credit continued to decline in 1985-86. Credit sales totaled 2.2 million tonnes, compared to 3.5 million tonnes in 1984-85 and 4.2 million tonnes in 1983-84.

Destinations of these sales are shown in Table 16. All credit sales are made under commercial terms and rates. The credit was financed by the Wheat Board and guaranteed by the federal government.

TABLE 15
CANADIAN FOOD AID SHIPMENTS 1985-86
(August/July)
(Tonnes)

Country	CIDA			World Food Program			Total		
	Wheat	Flour	Sub-Total	Wheat	Flour	Sub-Total	Wheat	Flour	Sub-Total
Bangladesh	506 322	—	506 322	—	—	—	506 322	—	506 322
China (PRC)	—	—	—	215 380	62 985	278 365	215 380	62 985	278 365
Sri Lanka	107 945	—	107 945	—	—	—	107 945	—	107 945
Sudan	—	31 058	31 058	—	—	—	—	31 058	31 058
Ethiopia*	—	20 610	20 610	5 500	—	5 500	5 500	20 610	26 110
Ghana	17 900	—	17 900	—	—	—	17 900	—	17 900
Yemen (PDR)	—	—	—	—	14 331	14 331	—	14 331	14 331
Egypt	—	—	—	—	10 688	10 688	—	10 688	10 688
Zambia	10 300	—	10 300	—	—	—	10 300	—	10 300
Mauritania	10 000	—	10 000	—	—	—	10 000	—	10 000
Morocco	—	—	—	—	9 729	9 729	—	9 729	9 729
Lebanon	—	—	—	6 336	3 389	9 725	6 336	3 389	9 725
Senegal	8 443	—	8 443	—	—	—	8 443	—	8 443
Columbia	—	—	—	—	6 703	6 703	—	6 703	6 703
Mozambique	—	—	—	6 700	—	6 700	6 700	—	6 700
Rwanda	—	5 966	5 966	—	—	—	—	5 966	5 966
Brazil	—	—	—	5 500	—	5 500	5 500	—	5 500
Honduras	—	—	—	4 300	—	4 300	4 300	—	4 300
Nicaragua	—	—	—	—	2 418	2 418	—	2 418	2 418
Paraguay	—	—	—	—	1 932	1 932	—	1 932	1 932
St. Lucia	—	—	—	1 042	—	1 042	1 042	—	1 042
Ecuador	—	—	—	—	882	882	—	882	882
Cyprus	—	—	—	—	869	869	—	869	869
Syria	—	—	—	—	767	767	—	767	767
Costa Rica	—	—	—	—	633	633	—	633	633
St. Vincent	—	—	—	350	—	350	350	—	350
St. Christopher (St. Kitts)	—	—	—	350	—	350	350	—	350
Jamaica	—	—	—	—	331	331	—	331	331
Antigua	—	—	—	258	—	258	258	—	258
Bolivia	—	—	—	—	219	219	—	219	219
Guatemala	—	—	—	—	124	124	—	124	124
TOTAL	660 910	57 634	718 544	245 716	116 000	361 716	906 626	173 634	1 080 260

* Ethiopia - Includes about 3 000 tonnes of flour from Red Cross

Red Cross (Niger 2 625 tonnes flour)	2 625
Canadian Food Grains Bank Association (CFBA)	43 971
(Bangladesh 2 500, Ethiopia 35 838, Mozambique 633, Sudan 5 000 tonnes of wheat)	
GRAND TOTAL	1 126 856

PART III
THE SUPPLY AND TRANSPORTATION OF CANADIAN GRAIN

INTRODUCTION

The 1985-86 grain supply picture improved as a result of a large Prairie seeded area and excellent growing conditions in Manitoba. But a drought during critical stages of the crop's development greatly reduced yields in some parts of Saskatchewan and Alberta, keeping the Prairie crop to about four million tonnes above the previous 10-year average. This was followed by a widespread wet harvest which resulted in large amounts of lower grade grain, much of it high in moisture.

Exports of the six major grains increased slightly from 23.1 million tonnes in 1984-85 to 24.7 million tonnes in 1985-86, in spite of an extremely competitive export market. With the exception of high-grade wheat and durum, which were in relatively short supply, wheat quotas were tight until later in the year. The same was true for barley. It looked like farmers would be left with carryovers of No. 3 CWRS, Canada Feed wheat, and barley. However, the Board was successful in making sales late in the year.

The crop year ended with congestion in the commercial storage system. However, on-farm carryovers were maintained at the very low level of the year before.

CROP DEVELOPMENT, QUALITY, AND SIZE

Western Canadian crop production of the six major grains increased to about 41.2 million tonnes in 1985. As shown in Table 17, this was an increase of about six million tonnes over the previous year, and about four million tonnes over the previous 10-year average.

Favorable soil moisture conditions encouraged Prairie farmers to seed a record area in 1985. Although May and June were somewhat dry, there was sufficient soil moisture to maintain good yield potential.

However, for the second year in a row, high temperatures during late June and early July brought a

TABLE 17
1985[1] PRAIRIE YIELDS AND PRODUCTION

	ALBERTA				SASKATCHEWAN			
	YIELD		PRODUCTION		YIELD		PRODUCTION	
	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84
	(Bus. per Acre)		(Million Tonnes)		(Bus. per Acre)		(Million Tonnes)	
Wheat	23.6	30.2	4.8	4.9	22.9	26.6	12.9	13.0
Barley	41.7	46.1	4.8	5.5	47.7	41.2	3.6	2.9
Oats	52.5	58.4	1.0	1.3	47.8	48.1	.7	.9
Rye	22.3	30.6	.1	.2	20.3	24.8	.2	.2
Flaxseed	13.8	18.0	—	.1	17.7	16.1	.3	.2
Rapeseed	19.6	20.6	1.2	1.0	23.4	21.9	1.5	1.0
TOTAL PRODUCTION	—	—	11.9	13.0	—	—	19.2	18.2

	MANITOBA				WESTERN CANADIAN PROVINCES[2]			
	YIELD		PRODUCTION		YIELD		PRODUCTION	
	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84	1985	10-Year Average 1975-84
	(Bus. per Acre)		(Million Tonnes)		(Bus. per Acre)		(Million Tonnes)	
Wheat	40.0	28.4	5.2	2.9	25.5	27.6	23.0	20.9
Barley	62.7	44.1	2.5	1.8	47.0	44.2	11.1	10.3
Oats	65.5	49.8	.6	.6	53.3	53.1	2.2	2.8
Rye	33.8	29.9	.2	.1	24.2	27.9	.5	.6
Flaxseed	21.0	14.7	.5	.3	19.4	15.4	.9	.5
Rapeseed	28.0	20.2	.6	.4	22.2	21.0	3.5	2.4
TOTAL PRODUCTION	—	—	9.6	6.1	—	—	41.2	37.5

[1] Preliminary — Subject to Revision
[2] Includes British Columbia
Source: Statistics Canada

return to drought conditions across Alberta and southern Saskatchewan. Grasshopper infestion again became a problem. Drought in the Peace River district also cut back yields.

This was in contrast to the eastern Prairies which received good, timely rainfall and more moderate temperatures. Manitoba and eastern Saskatchewan had record yields.

In early August, rains became widespread. This continued into October in many areas. Harvest was very difficult and grades fell well below average as shown in Table 18. Almost half of the wheat crop graded No. 3 CW or Canada Feed, compared to only 13 per cent the previous year. Supplies of quality barley were also well down.

Large supplies of tough and damp grain resulted due to the poor harvesting conditions. Protein content of the wheat crop was also down considerably, averaging about 13.4 per cent.

TABLE 18
ESTIMATED GRADE DISTRIBUTION
(Per cent of Production)

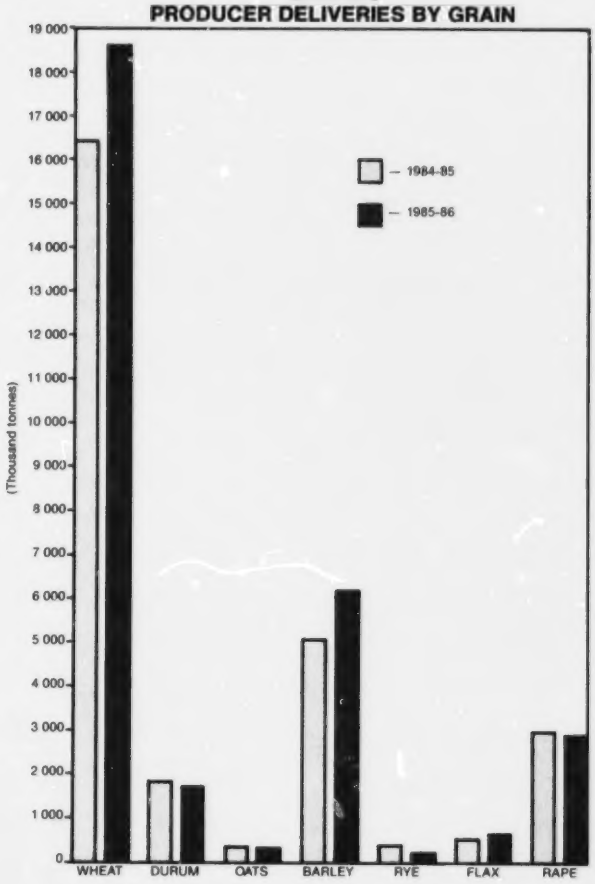
	1985	1984
Wheat Grades		
1 CW Red Spring	20.0%	67.0%
2 CW Red Spring	32.0	19.0
3 CW Red Spring	34.5	8.0
1 Canada Utility	0.3	1.0
2 Canada Utility	0.2	0.5
Canada Feed	13.0	4.5
Barley Grades		
1 & 2 CW Six-Row	0.2	9.0
1 & 2 CW Two-Row	1.5	6.0
1 Feed	78.6	70.0
2 Feed & Lower	19.7	15.0
Durum Grades		
1 CW Amber Durum	18.0	34.0
2 CW Amber Durum	26.0	47.0
3 CW Amber Durum	32.0	11.0
4 CW Amber Durum	18.0	6.0
5 CW Amber Durum	6.0	2.0

Source: Canadian Grain Commission

PRODUCER DELIVERIES

Producers delivered 31.6 million tonnes of the six major grains into the elevator system during the 1985-86 crop year. As shown in Graph 3, most of this four-million-tonne increase over the previous year was in wheat and barley.

GRAPH 3
PRODUCER DELIVERIES BY GRAIN



Producer deliveries got off to a slow start due to low farm carryovers and the late harvest. At the beginning of the year, carryover stocks in terminal positions were substantial, but demand was slow. This initially restricted deliveries. By mid-September, only 1.7 million tonnes of the six major grains had been delivered by producers, compared to 4.3 million tonnes during the same period in 1984-85. Producer deliveries were further restricted when a collapsed wall at Lock 7 of the Welland Canal halted St. Lawrence shipments for about three weeks.

Although quota opportunities for wheat started out best for low-grade wheat, this quickly changed due to the shortage of high-grade wheat supplies. Delivery opportunities for barley were limited to a 65-kilogram (three-bushel) quota unless producers held a Wheat Board barley contract. The Wheat Board authorized delivery of all contract quantities of barley in November.

With the exception of high-grade wheat and durum, which were in relatively short supply, wheat quotas were tight until late in the crop year. The same was true of barley. It looked like farmers would be left with carryovers of No. 3 CWRS, Canada Feed wheat, and barley by July 31.

However, the Board was able to make sales late in the year, particularly for feed wheat and barley. Quotas for all grades except No. 3 CWRS, Canada Feed wheat, and barley were terminated at the end of June, leaving July to concentrate on bringing in these three.

It was a tight squeeze. From May onward, after announcement of impending initial price drops of up to $36.00 per tonne, the elevator system was flooded with deliveries of all types of grain. Although quotas on Nos. 1 and 2 CWRS had been relatively large since early in the crop year, deliveries of these grades poured in after May. There were several reports of delivery of five, six, and even 10-year old grain. Deliveries of high-grade wheat were over a million tonnes higher than Wheat Board and elevator company expectations.

Throughout the year, deliveries of all except top-grade wheat and durum had to be restricted to straight grades only. Terminal drying capacity could not keep up with the record quantities of tough and damp grain, and on-farm dryers worked steadily through much of the year.

Table 19 provides a summary of quotas for the 1985-86 crop year.

CARRYOVER

In the past, there has been a tendency, at least among some farmers, to hang on to a bin or two of grain "just in case." It's unlikely that there were very many such farmers left after July 31, 1986.

Faced with the prospect of much lower initial payments in the new crop year and the likelihood of an upcoming record crop, most farmers responded by delivering every kernel possible. As shown in Table

TABLE 20
STOCKS ON FARMS IN WESTERN CANADA AS AT JULY 31 FOR YEARS 1981 TO 1986

Grain	1981	1982	1983	1984	1985	1986[1]
			(Thousands of Tonnes)			
Wheat*	1 533	3 515	1 960	1 690	1 060	745
Oats	446	536	825	465	345	455
Barley	992	1 817	3 055	930	700	820
Rye	53	103	220	105	150	160
Flaxseed	56	38	118	25	25	75
Rapeseed	404	71	40	15	95	270
TOTAL	3 484	6 080	6 218	3 230	2 375	2 525

* Includes Durum Wheat
[1] Subject to Revision
Source: Statistics Canada

TABLE 21
STOCKS IN CANADIAN COMMERCIAL POSITIONS BY GRAIN AS AT JULY 31 FOR YEARS 1981-1986

Grain	1981	1982	1983	1984	1985	1986[1]
			(Thousands of Tonnes)			
Wheat *	6 925	6 153	7 973	7 455	6 518	7 579
Oats	150	215	175	125	124	179
Barley	2 063	2 181	1 904	891	1 291	2 135
Rye	169	231	431	326	233	157
Flaxseed	288	221	347	130	119	230
Rapeseed	924	621	446	105	375	709
TOTAL	10 519	9 622	11 276	9 032	8 660	10 989

* Includes Durum Wheat
[1] Subject to Revision
Source: Canadian Grain Commission for 1986
All previous years — Statistics Canada

TABLE 19
SUMMARY OF CROP YEAR QUOTAS AS AT JULY 31, 1986

	Quota Name	Kilograms/ Quota Acre	Bushels/ Quota Acre	Grades	Area
Hard Red Spring Wheat	A	50	1.8	All	All
	B	50	1.8	All	All
	C(s)	140	5.1	Straight 2&3CW	All
	D(s)	80	2.9	Straight 1&2CW	All
	E(s)	80	2.9	Straight, Tough & Damp 1&2CW	All
	F(s)	275	10.1	Straight, Tough & Damp 1&2CW	All
	G(s)	50	1.8	Straight, Tough & Damp 1&2CW	All
	H(s)	80	2.9	Straight Canada Feed	All
	I(s)	355	13.0	Straight, Tough & Damp 1&2CW	All
	J(s)	275	10.1	Straight Canada Feed	All
	K(s)	545	20.0	Straight Canada Feed	All
	L(s)	80	2.9	Straight 3CW	All
	M(s)	275	10.1	Straight 3CW	All
Durum	A	80	2.9	All	All
	B	80	2.9	All	All
	C	80	2.9	All	All
	D(s)	680	25.0	Straight, Tough & Damp 1,2&3CW	All
	E(s)	135	5.0	Straight 1,2&3CW	All
	F(s)	135	5.0	Straight, Tough & Damp 1&2CW	All
	G(s)	275	10.1	Straight, Tough & Damp 1,2&3CW	All
	H(s)	50	1.8	Straight, Tough & Damp 1,2&3CW	All
	I(s)	355	13.0	Straight, Tough & Damp 1,2&3CW	All
	J	545	20.0	All	All
Utility Types of Wheat	A	80	2.9	All	All
	B(s)	80	2.9	Straight, Tough & Damp 1&2CU	All
	C(s)	80	2.9	Straight 1&2CU	All
	D	545	20.0	All	All
Red Winter Wheat	A	80	2.9	All	All
	B(s)	80	2.9	Straight, Tough & Damp 1&2CW	All
	C(s)	1360	50.0	Straight, Tough & Damp 1&2CW	All
	D	1360	50.0	Straight, Tough & Damp 1&2CW	All
	E	545	20.0	All	All
Soft White Spring Wheat	A	80	2.9	All	All

	Quota Name	Kilograms/ Quota Acre	Bushels/ Quota Acre	Grades	Area
	B(s)	1900	70.0	Straight, Tough & Damp 1,2&3CW	All
	C(s)	135	5.0	Straight 1&2CW	All
	D(s)	1360	50.0	Straight 1&2CW	All
	E	545	20.0	All	All
Oats	A	160	10.4	All	All
	B	310	20.1	All	All
	C	775	50.3	All	All
Barley	A	65	3.0	All	All
	B	65	3.0	Straight Grades Only	All
	C	65	3.0	Straight Grades Only	All
	D	65	3.0	Straight Grades Only	All
	E	65	3.0	Straight Grades Only	All
	F	325	14.9	Straight Grades Only	All
	G	655	30.1	Straight Grades Only	All
Rye		765	30.1	All	All
Rye to Distillers		765	30.1	All	All
Flaxseed		890	35.0	All	All
Flaxseed to Crushers		890	35.0	All	All
Rapeseed		1135	50.0	All	All
Rapeseed to Crushers		1135	50.0	All	All

20, on-farm carryover was estimated at about 2.5 million tonnes, up marginally from the very low on-farm carryover of the year before. Most of this carryover consisted of barley and low-grade wheat.

The quotas announced towards the end of the 1985-86 crop year allowed farmers to take maximum advantage of commercial storage facilities. As shown in Table 21, stocks stored in commercial positions soared to almost 11 million tonnes.

COUNTRY ELEVATOR SHIPMENTS

Country elevator shipments increased marginally from 27.2 million tonnes in 1984-85 to 27.5 million tonnes in 1985-86. The increase in Manitoba shipments and drop in Saskatchewan and Alberta shipments again reflected the weather patterns of the 1985 growing season. Manitoba had experienced a record crop while crops in Saskatchewan and Alberta had been reduced due to drought. Table 22 provides a list of country elevator shipments by province and by grain.

WEST COAST

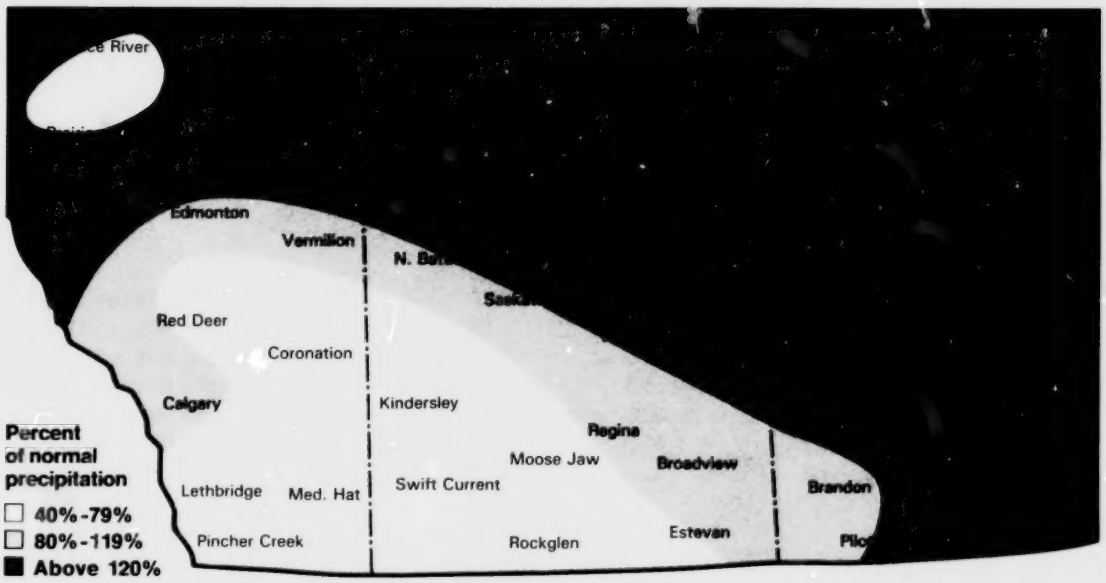
During the year, the Board tended to use the West Coast ports wherever possible, as the western route avoids the high transshipment costs from Thunder Bay to St. Lawrence. Shipments from West Coast

TABLE 22
COUNTRY ELEVATOR SHIPMENTS

Grain	1985-86 Man.	Sask.	Alta.[1]	TOTAL	1984-85 Man.	Sask.	Alta.[1]	TOTAL
		(Thousands of Tonnes)				(Thousands of Tonnes)		
Wheat	4 201	9 371	3 909	17 481	3 367	9 689	4 746	17 802
Durum	248	1 027	163	1 438	151	1 555	227	1 933
Oats	60	43	132	235	53	49	201	303
Barley	1 432	2 106	2 321	5 859	961	1 334	2 257	4 552
Rye	87	151	45	283	113	166	68	347
Flaxseed	370	169	18	557	312	161	16	489
Rapeseed	324	696	596	1 616	261	753	743	1 757
TOTAL	6 722	13 563	7 184	27 469	5 218	13 707	8 258	27 183

[1] Includes British Columbia
Source: Canadian Grain Commission.

ACCUMULATED PRECIPITATION
FROM MAY 1 TO JULY 31, 1985



PERCENT OF NORMAL ACCUMULATED PRECIPITATION
FROM AUGUST 1 TO SEPTEMBER 30, 1985

These two maps show how moisture arrived at the wrong time in 1985. The first shows actual precipitation from May 31 to July 31. Only the eastern Prairies received adequate moisture. The second map shows the percentage of normal precipitation from August 1 to the end of September. The widespread rains interfered with harvest in most areas.

ports in 1985-86, at 12 191 000 tonnes, were only slightly less than the record export level of 12.5 million tonnes in 1983-84.

West Coast export shipments were scheduled to get off to a brisk start right from the beginning of the crop year. For the most part, the export program ran smoothly throughout the crop year. However, there were vessel line-ups from mid-October through to March. These were caused by late harvesting of the 1985 Prairie grain crop, the larger than usual amount of tough and damp grain, and the poor rate of rail car unloads at Prince Rupert. In February, a tragic passenger/freight collision at Hinton, Alberta, shut off CN shipments to the West Coast for five days. This, combined with cold weather and slow deliveries, prompted the Board to rail barley via CP Rail lines from Thunder Bay to Vancouver. This was to meet urgent delivery commitments for that period.

Throughout the crop year, a labour-management dispute held work at the new Prince Rupert terminal to only one shift. Had additional shifts been available, West Coast exports would have been higher.

In spite of the heavy pace of grain deliveries in the latter part of the crop year and the demands placed on all parts of the handling system, operations at the West Coast were consistently strong. Terminal stocks reached high levels, but the ports were able to sustain a good level of loads to vessels. In June, West Coast shipments were the second-highest on record.

THUNDER BAY AND ST. LAWRENCE

Exports from Thunder Bay terminals and St. Lawrence transfer elevators totaled only 9 973 000 tonnes in 1985-86. This was lower than the level of the previous year, and down significantly from the record 15.7 million tonnes in 1982-83. This reflected both the lower level of export supplies, and the Board's preference for the lower-cost West Coast route.

Stocks in Thunder Bay and St. Lawrence elevators were quite high as the crop year began. Export pace improved in September, but on October 14, a wall in Lock 7 in the Welland Canal collapsed, cutting off all movement through this pivotal connection between the Great Lakes and the St. Lawrence Seaway. Terminal stocks at Thunder Bay rose quickly. The Wheat Board organized direct rail shipment of small amounts of some grades between Thunder Bay and the St. Lawrence transfer houses. In total, 15 unit trains carried about 120 000 tonnes of grain to meet commitments in the St. Lawrence River. In the days following the November 6 reopening of the Welland Canal, there was some congestion of vessels within the Canal and arriving at Thunder Bay. On November 29, a container ship collided with the St. Louis-de-Gonzague Bridge at Valleyfield, Quebec, bringing upstream and downstream traffic to a halt. The bridge was back in service on December 4.

The Wheat Board organized direct rail movement of grain from Thunder Bay to ports in the St. Law-

TABLE 23
WEIGHTED AVERAGE DEDUCTIONS FROM FARMERS FOR FREIGHT, COUNTRY ELEVATION, & REMOVAL OF DOCKAGE

		1981-82	1982-83	1983-84	1984-85	1985-86
		(Dollars per Tonne)				
Wheat -	Freight	$ 4.65	$ 4.66	$ 5.16	$ 7.20	$ 5.53
	Country Elevation & Removal of Dockage	$ 6.87	$ 7.46	$ 7.46	$ 7.60	$ 7.93
	Total	$11.52	$12.12	$12.62	$14.80	$13.46
Durum Wheat -	Freight	$ 4.79	$ 4.82	$ 5.24	$ 7.55	$ 5.71
	Country Elevation & Removal of Dockage	$ 6.87	$ 7.41	$ 7.43	$ 7.56	$ 7.88
	Total	$11.66	$12.23	$12.67	$15.11	$13.59
Oats -	Freight	$ 4.73	$ 4.78	$ 5.21	$ 7.22	$ 5.43
	Country Elevation & Removal of Dockage	$10.46	$11.35	$11.15	$11.33	$12.06
	Total	$15.19	$16.13	$16.36	$18.55	$17.49
Barley -	Freight	$ 4.71	$ 4.72	$ 5.14	$ 7.16	$ 5.53
	Country Elevation & Removal of Dockage	$ 8.44	$ 9.21	$ 9.13	$ 9.31	$ 9.68
	Total	$13.15	$13.93	$14.27	$16.47	$15.21

rence River during the winter. The size of the winter rail movement was based on the ongoing needs of eastern sales commitments rather than a firm target. In total, direct rail movement was 486 010 tonnes.

The first vessel clearance at the opening of the 1986 shipping season on April 4 found the Thunder Bay terminals with plenty of grain instore. This was to be the case for much of the remainder of the crop year, although port operations ran smoothly in spite of the tight space. The heavy pace of farmer deliveries during the latter part of the crop year kept pressure on all parts of the grain handling system, and terminal and transfer elevator stocks were quite high at the end of July.

CHURCHILL

The Canadian Wheat Board exported 391 000 tonnes of grain through the northern port during the 1985 season.

The first vessel of the 1985 shipping season arrived on July 31 with heavy ice damage. She was repaired in port and cleared August 14. The final vessel of the 1985 season cleared November 2. In total, 13 vessels visited Churchill.

In March, 1985, the Wheat Board shipped about 75 000 tonnes of barley to Churchill in anticipation of the 1986 shipping season and to free delivery space in the country elevator system.

FREIGHT AND HANDLING RATES

Deductions from producer deliveries at country elevators decreased for the 1985-86 crop year, entirely because of a reduction in the farmer's portion of rail freight rates. Under the new transportation bill C-155, rail freight rates must take into consideration the volume shipped in the previous year. Rail freight rates for 1985-86 were lower because of the smaller volume of grain handled in 1984-85. Table 23 shows weighted average rail freight paid by producers, country elevation, and removal of dockage fees for wheat, durum, oats, and barley during the last five crop years.

Maximum country elevation tariffs and removal of dockage fees authorized by the Canadian Grain Commission increased for the 1985-86 crop year. The maximum country elevation tariffs were $8.53 per tonne for wheat, $13.99 per tonne for oats, and $10.58 per tonne for barley. Maximum removal of dockage fees were $2.63 per tonne for wheat, $4.31 per tonne for oats, and $3.26 per tonne for barley.

The Canadian Grain Commission also increased the maximum elevation tariffs at terminal elevators. In 1985-86, the maximum was $5.01 per tonne for wheat, $8.22 per tonne for oats, and $6.21 per tonne for barley. However, actual terminal elevation charges changed very little from the year before when a weighted average of charges is compared. The weighted average charge increased to $4.32 from $4.23 per tonne for wheat, to $7.18 from $7.04 per tonne for oats, and to $5.46 from $5.36 per tonne for barley.

Total costs of moving grain east of Thunder Bay actually decreased during the 1985-86 crop year as shown in Table 24. This is due to significant reductions in the cost of bunker fuel as oil prices dropped throughout the period. Table 25 provides a breakdown of Thunder Bay fobbing costs, lake freight costs, and inward elevation at eastern transfer elevators.

TABLE 24
TOTAL EASTERN TRANSPORTATION AND HANDLING COSTS FOR WHEAT

	1982	1983	1984	1985	1986	Percentage Increase from 1982
			(Dollars per Tonne)			
Thunder Bay To St. Lawrence[1] (all water)	$20.638	$21.726	$22.247	$24.489	$25.586	24.0%
Thunder Bay to St. Lawrence (winter rail)	$31.284	$33.154	$36.638	$34.185	$34.229	9.4%
Thunder Bay to Atlantic[2]	$24.361	$25.525	$26.396	$27.548	$27.571	13.2%

[1] Includes lake freight rate as at opening of navigation.
[2] Includes lake freight costs to Georgian Bay at close of the previous navigation season & AT and East rail freight costs from Georgian Bay to the Atlantic.

TABLE 25
EASTERN TRANSPORTATION AND HANDLING CHARGES FOR WHEAT
(Rates Basis Opening of Navigation)

	1982	1983	1984	1985	1986	Percentage Increase from 1982
			(Dollars per Tonne)			
Thunder Bay Costs	$4.250	$4.683	$4.913	$5.013	$5.180	21.9%
Elevation[1]	3.500	3.900	4.100	4.180	4.310	23.1%
Weighing, Inspection[2]	.660	.690	.720	.740	.740	12.1%
LSCA Charges[3]	.040	.043	.043	.043	.070	75.0%
Warehouse Receipts Cancellation[4]	.050	.050	.050	.050	.060	20.0%
Lake Freight (including Bunker fuel)						
Thunder Bay to Bay ports	7.570	7.760	8.200	9.240	8.430	11.4%
Thunder Bay to St. Lawrence	12.480	12.920	13.250	15.110	13.590	11.8%
Eastern Terminals[5]						
Bay Ports	2.950	3.100	3.300	3.430	3.430	16.3%
St. Lawrence	2.100	2.200	2.300	2.400	2.470	17.6%
Atlantic	2.100	2.200	2.310	2.400	2.470	17.6%

[1] Receiving, weighing and delivering of grain.
[2] Sampling and grading of grain by an inspector and issuing of inspection certificate.
[3] Fees of Lake Shippers Clearance Association.
[4] Cancellation by Canadian Grain Commission of registration of Terminal Warehouse Receipts.
[5] Transfer elevators in Eastern Canada, the principal use of which is the transfer of grain that has been officially inspected and officially weighed at another elevator, as well as the receiving and storing of eastern and foreign grain.

PART IV
OTHER OPERATIONS

PROMOTIONAL ACTIVITIES

Market Development

There were two varietal evaluation programs offered to producers prior to the start of the 1986 growing season. These included TR212 (Ellice) Barley and Riel Oats. Varietal evaluation programs are implemented by the Wheat Board's Market Development Department to encourage the development of varieties with potential to expand market opportunities for western grain growers.

TABLE 26
WHEAT BOARD CONTRACT PROGRAMS IN 1986

Variety	No. of Growers	Size of Contract	Total Acres	Delivery Opportunity
Ellice	84	60	5,040	if selected, full production 1,500 kilograms (69.0 bu./acre) for non-select delivery
Riel Oats	22	50	1,100	if selected, full production 1,300 kilograms (84.3 bu./acre) for non-select delivery

Ellice — is a two-row white aleurone malting barley (developed by Agriculture Canada Research Station, Winnipeg) which is adapted to Manitoba and eastern Saskatchewan, mainly because of its disease resistance. The Board expanded this program to a third year of plant scale testing to further evaluate its potential in both the domestic and export markets.

Riel Oats — was developed at the Agriculture Canada Research Station in Winnipeg, and is the first red (tan) oat variety licensed (May 10, 1985) for sale in Canada. Riel is a high-yielding variety with excellent test weight, high protein content and low hull content.

The milling industry expressed an interest in testing Riel Oats at the commercial level. Their primary concern was to have some experience with this new product prior to seed supplies being increased by the seed growers.

Because of the extremely limited seed supplies, the Board contracted with only 22 producers; 19 in Manitoba and three in Saskatchewan.

Sales Missions

Commissioners and other Board officials traveled to numerous countries during the year on sales and market development missions. These countries are listed by geographic area as follows:

Africa and Middle East — Algeria, Egypt, Ethiopia, Iraq, Nigeria, Saudi Arabia

Asia — Hong Kong, Indonesia, Japan, Malaysia, People's Republic of China, Singapore, South Korea, Taiwan

Latin America — Brazil, Colombia, Mexico, Venezuela

Western Europe — Belgium, Federal Republic of Germany, France, Italy, Malta, Netherlands, Portugal, Switzerland, United Kingdom

Eastern Europe — Bulgaria, Czechoslovakia, German Democratic Republic, Poland, U.S.S.R., Yugoslavia

Incoming Missions

The mission program during the year covered by this report saw senior government and grain trade officials visit Canada for the purpose of meeting with the Board and other grain organizations and, at the same time, gaining an insight into the operations of the grain trade by visits to all major areas of the industry. Missions from Brazil, Iraq, Mexico and Taiwan were sponsored by the Board.

Individuals and groups from a number of other countries also visited the Board's offices during the period under review. In addition to having meetings and discussions with them, the Board, in many instances, assisted in arranging their itineraries and programs.

The success of these visits must involve the cooperation of all segments of the grain industry. The Board gratefully acknowledges the invaluable support it has received from many levels of governments, universities, grain trade organizations and individuals.

Awards Programme

The Wheat Board's Awards Programme was initiated in 1976 to encourage young scientists to enter the field of grain research. The programme offers financial assistance to students in Colleges of Agriculture at the Universities of Alberta, Manitoba and Saskatchewan, and is funded from the Wheat Board's Special Account. A total of $237,258 was awarded through this programme in the 1986 calendar year.

The awards are made on the basis of academic standing, and are keenly contested. At the graduate level, six new fellowships are awarded annually, each for a three-year duration. Some 30 scholarships are also given each year to third and fourth-year under-

graduate students. Under the programme, undergraduate students are also invited to apply for summer employment at the Board.

Touring the Wheat Board

There were 43 groups totaling about 1,110 people who toured the Wheat Board's Winnipeg office during the 1985-86 crop year. There were 15 farm groups, 15 international groups, nine educational groups, and four others. They toured the major departments of the Board and operations in each area were discussed.

CANADIAN INTERNATIONAL GRAINS INSTITUTE

The Canadian Wheat Board continued its active support of the Canadian International Grains Institute, jointly funding its operations with the federal government.

During the 1985-86 crop year, the Institute conducted three international and seven bilateral courses in grain marketing, handling and technology for representatives from Canada's current and potential grain customers. Seven domestic courses were also given for participants from the Canadian grain industry and farm community.

Further details of the Institute's activities are available in its own annual report.

Once again the Board wishes to commend the Institute for its many fine achievements and the continuing high calibre of its educational program.

LEGAL SERVICES

The Board's Legal Department continued to provide legal assistance to the Board by drafting Regulations, handling estate files and demurrage claims, and providing legal opinions.

It also assisted with the collection of defaulted cash advance accounts under the Federal Government's Prairie Grain Advance Payments Act. There were 606 accounts referred to the Legal Department during the year for collection and 318 actions were taken in the Federal Court of Canada. This compares with 713 defaulted accounts referred to the Legal Department for collection in the previous crop year, in which 292 actions were taken.

Forty bankruptcy files were opened and attended to by the Legal Department, compared to 55 in the previous crop year, where producers entering bankruptcy had previously obtained advance payments which remained outstanding under the Prairie Grain Advance Payments Act.

A total of 43 convictions were obtained during the 1985-86 crop year for breaches of the Canadian Wheat Board Act and Regulations and the Prairie Grain Advance Payments Act. The convictions involved a total of 12 producers.

OFFICERS AND STAFF

During the crop year under review, Dr. J. L. Leibfried resigned as Commissioner of the Canadian Wheat Board. Dr. Leibfried joined the Board as Economist in 1964 and was appointed Commissioner in 1975. In his years with the Wheat Board, he was instrumental in some major changes to the operations and direction of the organization. The Board would like to take this opportunity to give recognition and appreciation to Dr. Leibfried for the extensive knowledge and unique perspective he brought to his work.

Dr. B. T. Oleson was appointed Executive Director, Planning Directorate. Mr. D. Sagoo resigned from his position as Assistant Solicitor.

The following 17 staff members retired from the Canadian Wheat Board in 1985-86: Mrs. R. Anderson, Mrs. S. Cumming, Mr. J. English, Mrs. M. Erlendson, Miss J. Isleifson, Mr. L. Joyal, Miss A. Leitch, Mrs. M. MacIver, Miss E. Mulski, Mrs. A. Norris, Mrs. S. Ogelski, Mrs. A. Pismenny, Mrs. S. Plaza, Miss C. Shand, Mr. M. Sparrow, Mr. R. Tighe and Mr. W. Wells.

To those employees who retired or resigned during the year, the Board extends its gratitude for their years of valuable service and wishes them well in their future endeavours.

With sadness we record the deaths in 1985-86 of an employee, Mrs. G. Atamanchuk, and the following five pensioners: Mr. J. Edmondson, Mrs. M. Eichenberger, Mr. C. Eklund, Miss M. Murphy and Mrs. A. Pohl. They are greatly missed by all of us.

The number of permanent and temporary employees on July 31st of each of the last five years is indicated in Table 27.

Table 27
Number of Employees at July 31st

Year	Permanent	Temporary	Total
1982	561	71	632
1983	544	72	616
1984	532	102	634
1985	510	82	592
1986	482	37	519

BOARD OFFICES

The Canadian Wheat Board continued to operate branch offices in Montreal and Vancouver and overseas in Tokyo and London during the 1985-86 crop year. However, at the end of the year on July 31st, 1986, the Board's London office closed. The U.K. market will continue to be served directly from Winnipeg.

GUIDELINES ON CONFLICT OF INTEREST AND POST-EMPLOYMENT CONDUCT

Effective December 1, 1986, The Canadian Wheat Board adopted guidelines on conflict of interest and post-employment conduct as required by the Federal Government pursuant to the Conflict of Interest Code which it established in respect of the public sector.

Under the guidelines adopted by the Board, employees of the Board are required to perform their official duties and arrange their private affairs in such a manner that public confidence and trust in the integrity, objectivity and impartiality of the Board are conserved and enhanced. Specific and detailed provisions ensure that employees have an obligation to act in a manner that will bear the closest objective scrutiny and to take such action as may be necessary to prevent real, potential or apparent conflicts of interest arising from their activities, while employed by the Board as well as after they leave the Board.

The full text of the Board's Code has been filed with the Assistant Deputy Registrar General, who is responsible for administering the Conflict of Interest Code adopted by the Federal Government, and may be obtained on request from the General Director of Personnel for The Canadian Wheat Board.

PART V
ADVISORY COMMITTEE

The 1985-86 crop year continued with the Advisory Committee which took office in January, 1983, for a four-year term. The Committee consisted of the following members:

District	Name	Address
1	Mr. L. E. Parker	Ste. Agathe, Manitoba
2	Mr. B. McDonald	Strathclair, Manitoba
3	Mr. C. A. Hookensen	Kisbey, Saskatchewan
4	Mr. M.G.W. Halyk	Melville, Saskatchewan
5	Mr. H. Yelland	Porcupine Plain, Saskatchewan
6	Mr. R. R. Atkinson	Landis, Saskatchewan
7	Mr. A. K. Sahl	Mossbank, Saskatchewan
8	Mr. T. Strain	North Battleford, Saskatchewan
9	Mr. C. F. Thurston	Bow Island, Alberta
10	Mr. K. D. Galloway	Fort Saskatchewan, Alberta
11	Mr. H. A. Dechant	Fairview, Alberta

Mr. K. D. Galloway and Mr. M.G.W. Halyk continued in their roles as Chairman and Vice-Chairman, respectively, until the Committee's meeting on June 23, 1986. At that time the Committee reviewed these positions as required by the Canadian Wheat Board Act and Mr. Galloway and Mr. Halyk were reinstated.

The Advisory Committee held 10 meetings in Winnipeg during 1985-86 to review operational matters with the Board and discuss policy issues related to producers in Western Canada.

The Advisory Committee attended the Agricultural Outlook Conference in Ottawa on December 9-11, 1985. During that time the Committee also met with Mr. Mayer and a number of other government officials to discuss topics of mutual concern.

A number of issues were given considerable attention at the meetings throughout the year. Some of the key areas of concern were the American Farm Bill, U.S.-Canada trade negotiations, proposed amendments to the Prairie Grain Advance Payments Act, canola marketing, quota policy for non-Board grains and deficiency payments.

The Committee received various guests at its meetings during the year. Mr. Noel Honan, Assistant Secretary, Department of Primary Industry, Australia, visited with the Committee on October 29, 1985, to discuss relationships between farm organizations and government. On January 3, 1986, the Unprescribed Wheat Varieties Committee appointed by the federal government attended the meeting to obtain the Advisory Committee's views on the situation concerning unprescribed varieties. Mr. Art Guitard, the Chairman of the Unprescribed Varieties Committee, returned on April 22, 1986, to further discuss some long-term options for resolving the situation.

The sub-committee consisting of Messrs. Halyk, Parker and Dechant, which was established the previous year to review the Advisory Committee's per diems, allowances and expenses, presented its report at the March 14, 1986, meeting. At that same meeting another sub-committee, comprised of Messrs. Galloway, Atkinson and McDonald, was struck for the purpose of traveling to Vancouver at the end of March to discuss the labour situation at the Prince Rupert grain terminal with labour and management officials.

For the tenth consecutive year, meetings with producers were held by the Wheat Board in the various Committee districts. The format was changed somewhat from previous years in that two meetings of shorter duration were held in each district. The formal presentation was limited, allowing more time for questions and answers.

The District Meetings were held in the following locations, with District 11 having four because of its size:

District	Location	1986 Date
1	Morden, Manitoba	March 3
	Grosse Isle, Manitoba	March 5
2	Deloraine, Manitoba	March 4
	Oakburn, Manitoba	March 4
3	Carlyle, Saskatchewan	March 5
	Fillmore, Saskatchewan	March 5
4	Melville, Saskatchewan	February 20
	Theodore, Saskatchewan	February 20
5	Nipawin, Saskatchewan	February 21
	Humboldt, Saskatchewan	February 21
6	Strasbourg, Saskatchewan	February 19
	Imperial, Saskatchewan	February 19
7	Limerick, Saskatchewan	March 6
	Mortlach, Saskatchewan	March 6
8	Turtleford, Saskatchewan	February 24
	Cutknife, Saskatchewan	February 24
9	Milk River, Alberta	February 27
	Bow Island, Alberta	February 27
10	Red Deer, Alberta	February 26
	Leduc, Alberta	February 26
11	Spirit River, Alberta	February 24
	High Prairie, Alberta	February 24
	Boyle, Alberta	February 25
	Dapp, Alberta	February 25

The Board would like to express its appreciation to the Committee for having, as always, provided dedicated assistance and guidance during the 1985-86 crop year.

PART VI
FINANCIAL RESULTS AND NOTES TO FINANCIAL STATEMENTS

The Financial Statements of the Canadian Wheat Board including notes thereto for the crop year under review are presented in this section of the report. These statements consist of the Balance Sheet (Exhibit I), which sets forth the financial position of the Board as at July 31, 1986, together with other statements (Exhibits II to X) showing the results of Board operations for the year, all as tabulated in the index preceding the financial statements.

The practice of the Board is to include in its accounts at July 31, the final operating results of pool accounts when marketing operations have been completed before the issuance of the annual report. Operations on the 1985-86 Pool Accounts for Amber Durum Wheat, Designated Oats, Barley and Designated Barley were completed on October 31, 1986, and for Wheat and Oats on November 30, 1986. Details of the final operating results of these pool

TABLE A

STATEMENT OF OPERATIONS ON THE 1985-86 POOL ACCOUNT — WHEAT
For the period August 1, 1985 to November 30, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	18 931 918 tonnes		16 192 572 tonnes	
Sales value	$2,911,676,378	$153.797	$3,181,675,758	$196.490
Initial payments to producers	2,762,203,255	145.902	2,722,955,091	168.161
Gross Surplus	149,473,123	7.895	458,720,667	28.329
Deduct Operating Costs:				
Carrying charges:				
Country elevators	80,147,712	4.233	88,292,322	5.453
Terminal storage	27,039,928	1.428	28,079,232	1.734
Total Carrying Charges	107,187,640	5.661	116,371,554	7.187
Bank interest & net interest on other Board accounts	(2,674,500)	(.141)	12,300,778	.760
Demurrage	6,530,228	.345	(2,416,042)	(.149)
Additional freight - to terminals	8,087,425	.427	5,606,478	.346
- freight rate changes	(126,518)	(.006)	(2,608,292)	(.161)
Handling & stop-off	508,282	.027	1,055,877	.065
Drying	23,113,388	1.221	767,681	.047
Interest and depreciation on Wheat Board hopper cars	10,681,214	.564	10,170,355	.628
Wheat Board administrative expenses	19,160,741	1.012	18,834,592	1.163
Total Operating Costs	172,467,900	9.110	160,082,981	9.886
Surplus (Deficit) on Operations	$(22,994,777)	$(1.215)	298,637,686	18.443
Add: Interest earned after September 30			7,590,715	.469
Deduct: Cost of issuing final payment			144,422	.009
Surplus for Distribution to Producers			$ 306,083,979	$ 18.903

accounts with commentary thereon are presented in this section of the report.

Although the basic measurement for grain has been the "tonne" since February 1, 1978, for your information a tonne equals 36.74371 bushels of Wheat, 64.84183 bushels of Oats or 45.92963 bushels of Barley.

POOL ACCOUNT — WHEAT

Initial Payments

During the crop year the Board was authorized to purchase wheat from producers at a fixed initial price of $160.00 per tonne for No. 1 Canada Western Red Spring.

Supplies of Wheat

Supplies of wheat in the 1985-86 Pool were 21 728 221 tonnes, comprised of 18 931 918 tonnes delivered by producers, 153 256 tonnes acquired from other than producers and 2 643 047 tonnes purchased from the previous pool.

Grade Pattern

Deliveries of grain to the 1985-86 Pool Account were of substantially lower quality compared with receipts in the previous pool. Deliveries of Nos. 1 and 2 Canada Western Red Spring totaled 9.659 million tonnes or 51.02 per cent of total receipts, while No. 3 Canada Western Red Spring receipts of 5.524 million tonnes amounted to 29.18 per cent of total receipts. Deliveries of Utility grades including Canada Feed amounted to 2.026 million tonnes or 10.70 per cent of total producer deliveries. Approximately 19.32 per cent of producer deliveries graded tough while 3.92 per cent graded damp.

Final Statement of Operations — Wheat — Table A

Marketing operations on the Pool Account for Wheat resulted in a deficit of $22,994,777 which is recoverable from the Government of Canada with funds provided by Parliament. The total payment realized by producers is therefore equal to the initial payments as shown in Table B.

OPERATING COSTS

Operating costs incurred applicable to the pool were $172,467,900 or $9.110 per tonne. Details of the principal costs and comment thereon follow:

Carrying Charges — $107,187,640

Total carrying charges incurred by the Board, including storage and interest charges on wheat in country elevators and storage on wheat in terminal elevators amounted to $107,187,640 or $5.661 per tonne.

Bank Interest and Net Interest on Other Board Accounts — ($2,674,500)

This consists mainly of bank interest and interest paid to or received from other Board accounts. Interest earned, exceeded interest paid by $2,674,500 or $.141 per tonne.

TABLE B

PAYMENT RECEIVED BY PRODUCERS FOR PRINCIPAL GRADES OF WHEAT
BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments (dollars per tonne)
Red Spring Wheat Grades	
No. 1 Canada Western Red Spring	160.00
No. 2 Canada Western Red Spring	154.21
No. 3 Canada Western Red Spring	146.21
No. 1 Canada Utility	142.21
No. 2 Canada Utility	128.21
Canada Feed	121.00
No. 1 Canada Western Red Winter	145.21
No. 2 Canada Western Red Winter	143.21
No. 1 Canada Western Soft White Spring	132.00
No. 2 Canada Western Soft White Spring	129.00

Additional Freight — to Terminals — $8,087,425 — Freight Rate Change — ($126,518)

During the crop year the Board paid $8,087,425 of additional freight arising out of the movement of grain in adverse direction.

With the abolition of the Crows Nest Pass Freight rate on December 31, 1983, freight rates are reviewed annually under the Western Grain Transportation Act. On August 1, 1986, freight rates declined by approximately $.02 per tonne and the Board collected the resulting freight saved on the country stocks held by its agents on August 1, 1986, amounting to $126,518 in the Wheat Account.

Drying Charges — $23,113,388

Drying charges for 1985-86 totaled $23,113,388, a very significant increase from the previous year, reflecting the substantial quantities of tough and damp grain delivered to the pool under review.

Interest and Depreciation on Wheat Board Hopper Cars — $10,681,214

Costs for the use of the Board's 2,000 hopper cars include depreciation and interest. Hopper car expenses attributable to the 1985-86 Wheat Account totaled $10,681,214 compared to $10,170,355 for the previous pool.

POOL ACCOUNT — AMBER DURUM WHEAT

Initial Payments

During the crop year the Board was authorized to purchase Amber Durum Wheat from producers at a fixed initial price of $160.00 per tonne for No. 1 Canada Western Amber Durum Wheat.

Supplies of Amber Durum Wheat

Supplies of Amber Durum Wheat in the 1985-86 Pool were 1 812 922 tonnes, comprised of 1 685 977 tonnes delivered by producers, 7 299 tonnes acquired from other than producers and 119 646 tonnes purchased from the previous pool.

Grade Pattern

Receipts of Nos. 1, 2 and 3 Canada Western Amber Durum totaled 1.414 million tonnes or 83.85 per cent of total producer deliveries. Approximately 19.09 per cent of producer deliveries graded tough while 2.29 per cent graded damp.

Final Statement of Operations and Surplus for Distribution to Producers — Amber Durum Wheat — Table C

Table C shows the operating results of the Pool Account for the crop year. Marketing operations resulted in a surplus of $25,466,720. Operating expenses totaled $14,264,055 for the year or $8.460 per tonne. The principal cost was carrying charges amounting to $9,292,325 or $5.511 per tonne. After allowing for the cost of issuing the final payment and estimated interest earnings subsequent to October 31, 1986, the net surplus for distribution to producers was $26,008,379. This represents an overall average of $15.426 per tonne on producer deliveries of 1 685 977 tonnes. Table D shows the total payment received by producers for the principal grades of Amber Durum Wheat delivered during the crop year. This table shows the total price realized by producers for No. 1 Canada Western Amber Durum Wheat of $181.302 per tonne, compared to $204.853 per tonne for the previous pool.

POOL ACCOUNT — OATS

Commencing August 1, 1981, as authorized by Order-in-Council, oats selected and accepted from producers for use in processing and milling for human consumption has been set up in a separate pool under the caption "Designated Oats". As a result, the transactions described herein consist mainly of marketing results related to feeding grades of oats.

Initial Payments

During the crop year the Board was authorized to purchase oats from producers at a fixed initial price of $100.00 per tonne for No. 1 Feed Oats.

Grade Pattern

Deliveries of Nos. 1 and 2 Canada Western Oats comprised .16 per cent of producer deliveries with feeding grades constituting the remaining 99.84 per cent of total receipts. Board receipts of tough and damp oats made up 11.20 per cent of deliveries.

Final Statement of Operations — Oats — Table E

Table E shows the operating results of the Pool Account for the 1985 - 86 crop year. Marketing operations resulted in a deficit of $6,919,810 which is recoverable from the Government of Canada with funds provided by Parliament. The total payment realized by producers is therefore equal to the initial

TABLE C

STATEMENT OF OPERATIONS AND SURPLUS FOR DISTRIBUTION TO PRODUCERS ON THE 1985-86 POOL ACCOUNT — AMBER DURUM WHEAT
For the period August 1, 1985 to October 31, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	1 685 977 tonnes		1 786 421 tonnes	
Sales value	$296,715,755	$175.990	$376,051,666	$210.506
Initial payments to producers	256,984,980	152.425	319,040,593	178.592
Gross Surplus	39,730,775	23.565	57,011,073	31.914
Deduct Operating Costs:				
Carrying charges:				
Country elevators	6,528,593	3.872	7,863,782	4.402
Terminal storage	2,763,732	1.639	4,096,695	2.293
Total Carrying Charges	9,292,325	5.511	11,960,477	6.695
Interest	(1,439,525)	(.854)	2,045,742	1.145
Demurrage	888,837	.527	(1,748,659)	(.979)
Additional freight - to terminals	201,681	.120	239,158	.134
- freight rate changes	(1,024)	(.001)	(115,901)	(.065)
Handling & stop-off	916,763	.544	—	—
Drying	1,819,147	1.079	8,037	.005
Interest and depreciation on Wheat Board hopper cars	951,213	.564	1,122,027	.628
Wheat Board administrative expenses	1,634,638	.970	2,077,897	1.163
Total Operating Costs	14,264,055	8.460	15,588,778	8.726
Surplus on Operations	25,466,720	15.105	41,422,295	23.188
Add: Interest earned after October 31 (1984-85 September 30)	576,261	.342	1,052,864	.589
Deduct: Cost of issuing final payment	34,602	.021	26,164	.015
Surplus for Distribution to Producers	$ 26,008,379	$ 15.426	$ 42,448,995	$ 23.762

TABLE D

TOTAL PAYMENTS RECEIVED BY PRODUCERS FOR PRINCIPAL GRADE OF AMBER DURUM WHEAT BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments	Final Payments	Total
		(dollars per tonne)	
Amber Durum Wheat Grades			
No. 1 Canada Western Amber Durum	160.00	21.302	181.302
No. 2 Canada Western Amber Durum	157.21	19.092	176.302
No. 3 Canada Western Amber Durum	155.21	16.092	171.302
No. 4 Canada Western Amber Durum	139.21	.216	139.426
No. 5 Canada Western Amber Durum	121.00	—	121.000

payments as shown in Table F. Operating expenses totaled $2,529,336 or $12.748 per tonne. The principal cost was carrying charges amounting to $1,595,882 or $8.043 per tonne.

POOL ACCOUNT — DESIGNATED OATS

Beginning with the crop year commencing on August 1, 1981, oats that have been delivered to the Board to be sold by the Board to purchasers who have selected and accepted the oats for use in processing and milling for human consumption, have been set up in a separate account. This account has been labeled "Designated Oats" and the results of operations on this account with comment thereon are contained in this section of the report.

Initial Payments

During the crop year the Board was authorized to purchase Designated Oats from producers at fixed initial prices of $130.00 and $128.00 per tonne for Nos. 1 and 2 Canada Western Oats respectively and $124.00 per tonne for No. 1 Feed Oats.

Supplies and Grade Pattern

Supplies of oats in the designated pool were 36 714 tonnes representing deliveries to the Board by producers during the crop year of oats which were selected and accepted by purchasers for use in processing and milling for human consumption. Receipts of Nos. 1 and 2 Canada Western Oats totaled 21 064 tonnes or 57.37 per cent of total deliveries. Feeding grades totaled 15 650 tonnes or 42.63 per cent of total receipts.

TABLE E

STATEMENT OF OPERATIONS ON THE 1985-86 POOL ACCOUNT — OATS
For the period August 1, 1985 to November 30, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	198 411 tonnes		54 639 tonnes	
Sales value	$15,223,979	$76.729	$6,691,733	$122.472
Initial payments to producers	19,614,453	98.857	5,416,401	99.131
Gross Surplus (Deficit)	(4,390,474)	(22.128)	1,275,332	23.341
Deduct Operating Costs:				
Carrying charges:				
Country elevators	1,056,922	5.327	285,692	5.229
Terminal storage	538,960	2.716	194,177	3.554
Total Carrying Charges	1,595,882	8.043	479,869	8.783
Interest	236,658	1.193	3,410	.062
Demurrage	37,344	.188	—	—
Additional freight - to terminals	147,068	.741	98,106	1.796
- freight rate changes	17,206	.087	(84,660)	(1.550)
Drying Charges	171,454	.864	—	—
Interest & depreciation on Wheat Board hopper cars	111,942	.564	34,318	.628
Wheat Board administrative expenses	211,782	1.068	68,867	1.260
Total Operating Costs	2,529,336	12.748	599,910	10.979
Surplus (Deficit) on Operations	$(6,919,810)	$(34.876)	675,422	12.362
Add: Interest earned after November 15			17,168	.314
Deduct: Cost of issuing final payment			4,218	.077
Surplus for Distribution to Producers			$ 688,372	$ 12.599

Final Statement of Operations and Surplus for Distribution to Producers — Designated Oats — Table G

Table G shows the operating results of this pool account for the crop year. Marketing operations resulted in a surplus of $635,944. As to operating costs, it should be noted that the Designated Oats Pool, by its very nature, does not incur the handling expenses normally related to feeding grades of oats. It is not stored by the Board, being selected by the purchaser and shipped at his request from farm to processing plant via the country elevator. As a result, the only expenses incurred attributable to such oats were costs related to hopper cars owned by the Wheat Board and administrative charges totaling $56,310 or $1.534 per tonne. These expenses were more than

TABLE F

PAYMENT RECEIVED BY PRODUCERS FOR PRINCIPAL GRADES OF OATS
BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments (dollars per tonne)
No. 1 Canada Western	106.00
No. 2 Canada Western	104.00
Extra No. 1 Feed	102.00
No. 1 Feed	100.00
No. 2 Feed	95.92

TABLE G

STATEMENT OF OPERATIONS AND SURPLUS FOR DISTRIBUTION TO PRODUCERS ON THE 1985-86 POOL ACCOUNT — DESIGNATED OATS
For the period August 1, 1985 to October 31, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	36 714 tonnes		44 219 tonnes	
Sales value	$5,269,109	$143.518	$6,858,685	$155.108
Initial Payments to producers	4,644,373	126.502	6,061,679	137.084
Gross Surplus	624,736	17.016	797,006	18.024
Deduct Operating Costs:				
Interest and bank charges	(67,518)	(1.839)	(95,397)	(2.157)
Interest & depreciation on Wheat Board hopper cars	20,714	.564	27,773	.628
Wheat Board administrative expenses	35,596	.970	51,434	1.163
Total Operating Costs	(11,208)	(.305)	(16,190)	(.366)
Surplus on Operations	635,944	17.321	813,196	18.390
Add: Interest earned after October 31 (1984-85 September 30)	14,390	.392	20,670	.468
Deduct: Cost of issuing final payment	838	.022	664	.015
Surplus for Distribution to Producers	$ 649,496	$ 17.691	$ 833,202	$ 18.843

offset by interest earnings of $67,518 or $1.839 per tonne on the accumulating surplus in the pool. After providing for the cost of issuing the final payment and adding estimated interest earnings subsequent to October 31, 1986, the net surplus for distribution to producers was $649,496 or $17.691 per tonne on producer deliveries of 36 714 tonnes. Table H shows the total payment received by producers for the principal grades of Designated Oats delivered during the crop year.

POOL ACCOUNT — BARLEY

Since August 1, 1975, as authorized by Order-in-Council, barley selected and accepted from producers for the use of malting, pot or pearling, has been set up in a separate pool under the caption "Designated Barley". As a result, the transactions remaining in the Barley Pool Account described here consist mainly of marketing results related to feeding grades of barley.

Initial Payments

At the beginning of the crop year the Board was authorized to purchase barley from producers at a fixed initial price of $110.00 per tonne for No. 1 Feed Barley.

Supplies and Grade Pattern

Supplies in the regular Feed Barley pool were 5 446 720 tonnes comprised of 4 947 005 tonnes delivered by producers, 18 862 tonnes acquired from other than producers and 480 853 tonnes purchased from the previous pool. Deliveries of Nos. 1 and 2 Feed Barley comprised 93.23 per cent of the producer deliveries in the pool. Board receipts of tough and damp barley made up 4.40 per cent of deliveries.

Final Statement of Operations — Barley — Table I

Table I shows the operating results of the Pool Account for the crop year. Marketing operations resulted in a deficit of $171,370,689 which is recoverable from the Government of Canada with funds provided by Parliament. The total payment realized by producers is therefore equal to the initial payments as shown in Table J. Operating expenses totaled $38,734,279 for the year or $7.830 per tonne. The principal cost was carrying charges amounting to $14,579,769 or $2.947 per tonne.

POOL ACCOUNT — DESIGNATED BARLEY

As stated previously, since August 1, 1975, barley that has been delivered to the Board to be sold by the Board to purchasers who have selected and accepted the barley for the use of malting, pot or pearling, has been set up in a separate pool account. This account has been labeled "Designated Barley" and the results of operations on this account with comment thereon are contained in this section of the report.

Initial Payments

At the beginning of the crop year the Board was authorized to purchase Designated Barley from producers at a fixed initial price of $155.00 per tonne for No. 2 Canada Western Six-Row and $165.00 per tonne for No. 2 Canada Western Two-Row.

Supplies and Grade Pattern

Supplies of barley in the designated pool were 645 255 tonnes representing deliveries to the Board by producers during the crop year of barley which has been selected and accepted by purchasers for

TABLE H

TOTAL PAYMENTS RECEIVED BY PRODUCERS FOR PRINCIPAL GRADES OF DESIGNATED OATS BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments	Final Payments	Total
		(dollars per tonne)	
Oats Grades			
No. 1 Canada Western	130.00	20.249	150.249
No. 2 Canada Western	128.00	20.249	148.249
Extra No. 1 Feed	126.00	15.749	141.749
No. 1 Feed	124.00	13.749	137.749

TABLE I

STATEMENT OF OPERATIONS ON THE 1985-86 POOL ACCOUNT — BARLEY
For the period August 1, 1985 to October 31, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	4 947 005 tonnes		3 068 472 tonnes	
Sales value	$406,487,805	$ 82.169	$414,730,903	$135.159
Initial payments to producers	539,124,215	108.980	382,262,408	124.578
Gross Surplus (Deficit)	(132,636,410)	(26.811)	32,468,495	10.581
Deduct Operating Costs:				
Carrying charges:				
Country elevators	10,622,501	2.147	4,724,253	1.540
Terminal storage	3,957,268	.800	3,356,581	1.094
Total Carrying Charges	14,579,769	2.947	8,080,834	2.634
Interest	5,593,975	1.131	(1,306,516)	(.426)
Demurrage	975,328	.197	(449,348)	(.147)
Additional freight - to terminals	2,165,184	.438	1,897,338	.618
- freight rate changes	19,309	.004	(893,639)	(.291)
Handling and stop-off	1,703,300	.344	(52,098)	(.017)
Drying	6,109,994	1.235	628,571	.205
Interest & depreciation on Wheat Board hopper cars	2,791,055	.564	1,927,267	.628
Wheat Board administrative expenses	4,796,365	.970	3,569,130	1.163
Total Operating Costs	38,734,279	7.830	13,401,539	4.367
Surplus (Deficit) on Operations	$(171,370,689)	$ (34.641)	19,066,956	6.214
Add: Interest earned after September 30			484,640	.158
Deduct: Cost of issuing final payment			53,892	.018
Surplus for Distribution to Producers			$ 19,497,704	$ 6.354

TABLE J

PAYMENT RECEIVED BY PRODUCERS FOR PRINCIPAL GRADES OF BARLEY
BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments (dollars per tonne)
Barley Grades	
No. 1 Canada Western Six-Row	112.93
No. 2 Canada Western Six-Row	111.93
No. 2 Canada Western Two-Row	111.93
No. 1 Feed	110.00
No. 2 Feed	107.43

the use of malting, pot or pearling. Of these receipts, 342 421 tonnes or 53.07 per cent were row grades and 302 834 tonnes or 46.93 per cent were feeding grades. Receipts of tough and damp grades totaled 46 921 tonnes or 7.27 per cent of total.

Final Statement of Operations and Surplus for Distribution to Producers — Designated Barley — Table K

Table K shows the operating results of this pool account for the crop year. Marketing operations resulted in a surplus of $21,213,932. As to operating costs, it should be noted that the Designated Barley Pool by its very nature does not incur the handling expenses normally related to feeding grades of barley or other grains. It is not stored by the Board, being selected by the processor (buyer) from a producer's sample and is shipped on buyer's call directly from farm to processing plant via the country elevator. As a result the only expenses incurred attributable to such barley were costs related to hopper cars owned by the Wheat Board and administrative charges totaling $989,653 or $1.534 per tonne. These expenses were more than offset by interest earnings of $2,036,919 or $3.157 per tonne on the accumulating surplus in the pool. After allowing for the cost of issuing the final payment and estimated interest earnings subsequent to October 31, 1986, the net surplus for distribution to producers was $21,683,836 or $33.605 per tonne on producer deliveries of 645 255 tonnes. This is compared to $25,284,020 or $35.501 per tonne for the previous year. Table L shows the total payment received by producers for the principal grades of Designated Barley. The final return to producers for deliveries of No. 2 Canada Western Six-Row and No. 2 Canada Western Two-Row was $183.395 and $203.395 respectively, compared to $188.937 and $199.401 for these two grades respectively in the previous pool.

TABLE K

STATEMENT OF OPERATIONS AND SURPLUS FOR DISTRIBUTION TO PRODUCERS ON THE 1985-86 POOL ACCOUNT — DESIGNATED BARLEY
For the period August 1, 1985 to October 31, 1986
with prior year figures for the 1984-85 Pool Account for comparison

	1985-86 Pool Account		1984-85 Pool Account	
	Amount	Rate per Tonne	Amount	Rate per Tonne
Receipts from Producers	645 255 tonnes		712 195 tonnes	
Sales value	$121,925,659	$188.957	$135,116,236	$189.718
Initial payments to producers	101,758,993	157.703	111,703,201	156.844
Gross Surplus	20,166,666	31.254	23,413,035	32.874
Deduct Operating Costs:				
Interest	(2,036,919)	(3.157)	(2,527,411)	(3.549)
Interest & depreciation on Wheat Board hopper cars	364,047	.564	447,320	.628
Wheat Board administrative expenses	625,606	.970	828,398	1.163
Total Operating Costs	(1,047,266)	(1.623)	(1,251,693)	(1.758)
Surplus on Operations	21,213,932	32.877	24,664,728	34.632
Add: Interest earned after October 31 (1984-85 September 30)	480,029	.744	626,923	.880
Deduct: Cost of issuing final payment	10,125	.016	7,631	.011
Surplus for Distribution to Producers	$ 21,683,836	$ 33.605	$ 25,284,020	$ 35.501

TABLE L

TOTAL PAYMENTS RECEIVED BY PRODUCERS FOR PRINCIPAL GRADES OF DESIGNATED BARLEY BASIS IN STORE THUNDER BAY OR VANCOUVER

Grade	Initial Payments	Final Payments	Total
		(dollars per tonne)	
Designated Barley Grades			
No. 1 Canada Western Six-Row	156.27	28.125	184.395
No. 2 Canada Western Six-Row	155.00	28.395	183.395
No. 1 Canada Western Two-Row	166.27	38.125	204.395
No. 2 Canada Western Two-Row	165.00	38.395	203.395
No. 1 Feed Six-Row	151.77	29.125	180.895
No. 1 Feed Two-Row	161.77	39.125	200.895
No. 2 Feed Six-Row	149.77	27.725	177.495
No. 2 Feed Two-Row	159.77	37.725	197.495

NOTES TO FINANCIAL STATEMENTS

The following are an integral part of the financial statements.

(1) ACCOUNTING POLICIES

(a) Operating Results and Valuation of Stocks of Grain

The annual accounts at July 31 include the final operating results of all pool accounts for the crop year ended July 31 when marketing operations have been completed before the issuance of the annual report for that year. In determining the financial results for such pools the accounts of the Board at July 31 include:

(i) the stocks of such grains on hand at that date at the values which were ultimately received from the sale thereof basis instore Thunder Bay, Vancouver or Churchill; and

(ii) provision for all expenses incurred or to be incurred before the sales proceeds are realized in cash or in bills of exchange, including a charge for the portion of administrative and general expenses to be incurred subsequent to July 31 but relating to the marketing and accounting for the grains in the various pools before they are closed.

For pool accounts for which marketing operations have not been completed before the issuance of the annual report, the unsold stocks at July 31 are valued at cost, which is the initial price paid to producers, and no provision is made for carrying costs, interest, and administrative expenses beyond that date. Any debit or credit balance in these accounts is carried on the balance sheet.

(b) Foreign Currency Translations

Bills of exchange receivable in United States funds which are covered by forward exchange contracts are translated at the contract rates. In all other cases, bills of exchange receivable and bank loans payable in United States funds are translated at the rate of exchange in effect as at the balance sheet date, as is also the liability for debentures repayable in United States funds.

Foreign exchange adjustments arising from conversion of bills of exchange and bank loans are included in operating results. Adjustments arising from conversion of debenture debt are amortized over the term of the debentures.

(c) Depreciation

The rates of depreciation being applied are intended to fully depreciate assets over their expected lives and are as follows:

Hopper cars	30 years
Office building	40 years
Office furniture and equipment	10 years
Automotive equipment	2 years (to ⅓ residual value)

(d) Administration and General Expenses

Administration and general expenses, except for that portion of such expenses attributable to distributing final payments to producers, are allocated to the various pool account operations to which the services relate on the basis of the relative tonnage. Expenses attributable to final payments are allocated on the basis of the number of producers receiving payments from the various pool accounts.

(2) BILLS OF EXCHANGE PLUS ACCRUED INTEREST

Of the total bills of exchange receivable, $1,348,265,483 (1985 — $1,499,477,966) represents the Canadian equivalent of $976,791,627 (1985 — $1,111,053,626) repayable in United States funds.

The balances receivable arise from sales of grain to Brazil, Egypt, German Democratic Republic, Haiti, Iraq, Israel, Jamaica, Mexico, Peru, Poland and Zambia. The terms call for payment in full within 36 months or less from time of shipment, except for Brazil, Haiti, Jamaica, Peru, Poland and Zambia where the Board, together with the Canadian Government, have agreed to reschedule certain receivables beyond their original maturity dates. Terms of such reschedulings call for payment of interest and the rescheduled debt within 10 years. As at July 31, total reschedulings amounted to $459,164,319 including $35,913,045 which is the Canadian equivalent of $26,032,957 receivable in United States currency.

As at July 31, 1986, amounts due and unpaid from Poland total $1,927,274,624 which includes the Canadian equivalent of $761,301,738 receivable in U.S. funds. Subsequent to the year end, the Board together with the Government of

Canada concluded a bilateral rescheduling agreement with the Government of the Polish People's Republic, rescheduling all amounts matured and unpaid together with interest accrued thereon for the period January 1, 1982, to December 31, 1984, amounting to $1,453,356,541 which includes the Canadian equivalent of $539,059,681 receivable in U.S. funds. In accordance with a multilateral arrangement reached between Poland and official creditors, Poland is presently in the process of negotiating a further rescheduling for amounts matured and unpaid during calendar year 1985 amounting to $181,851,468 which includes the Canadian equivalent of $121,752,728 receivable in U.S. funds. The balance of amounts due and unpaid totalling $292,066,615 which includes the Canadian equivalent of $100,489,329 receivable in U.S. funds represents accrued interest and principal unpaid on the 1981 rescheduled debt, interest accrued and unpaid on the 1982-84 and 1985 debt. While certain repayment terms are specified in the 1982-84 bilateral Rescheduling Agreement with respect to the interest accrued in 1985 and 1986 on this debt, this interest is not included in the principal portion of the rescheduled debt.

During the crop year the Government of Canada and other creditor nations agreed to a further deferral of certain Zambian obligations that had earlier been rescheduled. The bilateral agreement to reschedule payments due and not paid as at December 31, 1985, and due and not paid for the period January 1, 1986, to December 31, 1986, has yet to be negotiated. The accounts of the Board at July 31, 1986, include $10,312,331 which may be subject to this rescheduling.

Subsequent to the year-end the Government of Canada and other creditor nations agreed with Brazil to reschedule over a six-year period certain obligations due and unpaid for the period January 1, 1985, to December 31, 1986. The accounts of the Board at July 31, 1986, include $173,699,989 which will be subject to this rescheduling.

Subsequent to the year-end the Government of Canada and other creditor nations agreed to reschedule over a nine-year period certain obligations owing by Mexico. The accounts of the Board at July 31, 1986, include $6,683,517 which is the Canadian equivalent of $4,842,076 receivable in United States funds which would be subject to such a rescheduling agreement.

Credit sales are made within limits established by the Government of Canada which guarantees the Board's borrowings incurred to finance such sales, both as to principal and interest. Because of these Guarantees the Board does not consider itself to be at risk should any of the unpaid amounts prove to be uncollectable; therefore, no provision is made in its accounts with respect to the possibility of debtors defaulting on their obligations.

(3) ACCOUNTS RECEIVABLE

Settlement on amounts due on sales completed as at July 31 were received shortly after that date. Sundry accounts receivable consists mainly of freight costs which are recovered on completed sales.

(4) COVERED HOPPER CARS

The Board purchased 2,000 covered hopper cars in 1979-80 having an original cost of $90,555,623. Of these 2,000 cars, 29 cars have been wrecked and dismantled leaving 1,971 still in the fleet having an original cost of $89,242,566 with accumulated depreciation of $19,338,509 to July 31, 1986. The Board is reimbursed for destroyed cars under an operating agreement with the Canadian National Railway.

(5) LIABILITY TO BANKS

Details of liability to banks are as follows:

	July 31	
	1986	1985
Ordinary operations	$367,538,849	$224,554,171
Loans to finance credit sales	3,516,739,651	3,683,799,803
	$3,884,278,500	$3,908,353,974

Of the total liability $1,344,002,480 (1985 — $1,498,429,431) represents the Canadian equivalent of $973,703,166 (1985 — $1,110,276,698) repayable in United States funds.

The Board's borrowings are guaranteed by the Government of Canada.

(6) DEBENTURES PAYABLE

The debentures with a face value of U.S. $50,000,000 were issued on December 1, 1982, at a price of $99.50 per $100, and bear interest at 11 ¼ per cent per annum payable each December 1. No principal repayments are required until maturity on December 1, 1990. Under certain circumstances the Board may redeem the

debentures in whole or in part prior to maturity. Depending upon the particular circumstances giving rise to any early redemption, a premium may be payable on the principal amount redeemed.

The debentures are secured by a charge against grain held by the Board.

(7) **LIABILITY TO AGENTS FOR GRAIN PURCHASED FROM PRODUCERS**

Grain companies acting in the capacity of agents of the Board accept deliveries from producers at country elevators and pay the producers on behalf of the Board based on the Board's initial price in effect. Settlement is not made by the Board for these purchases until delivery to the Board is completed by its Agents at terminal or mill position. Liability to agents amounting to $962,151,232 (1985 — $570,996,143) represents the amount payable by the Board to its agents for 6 961 181 (1985 — 3 600 606) tonnes of wheat, amber durum wheat, oats and barley on hand at country elevator points and in transit at July 31 for which delivery to and settlement by the Board is to be completed subsequent to year-end date.

(8) **LIABILITY TO AGENTS FOR DEFERRED CASH TICKETS**

Grain companies as agents of the Board deposit with the Board in trust the proceeds of deferred cash tickets issued for Board grain. These monies are returned to the grain companies to cover producer deferred cash tickets maturing predominately during the first days of the following calendar year.

(9) **ACCRUED EXPENSES AND ACCOUNTS PAYABLE**

This item principally comprises accrued carrying charges, storage, interest and transportation charges to July 31, 1986, together with all other unpaid sundry accounts as at the foregoing date. It also includes provisions for all charges relating to the marketing of Pool Accounts for Amber Durum Wheat, Designated Oats, Barley and Designated Barley for the period from August 1, 1986, to completion of operations on October 31, 1986, and for Wheat and Oats for the period from August 1, 1986, to completion of operations on November 30, 1986.

(10) **SPECIAL ACCOUNT — NET BALANCE OF UNDISTRIBUTED PAYMENT ACCOUNTS**

In accordance with the provision of Section 30 of the Canadian Wheat Board Act the Governor in Council may authorize the Board to transfer to a Special Account the unclaimed balances remaining in payment accounts which have been payable to producers for a period of six years or more. In addition to providing for payment of proper claims from producers against these old payment accounts, the Section further provides that these funds shall be used for purposes as the Governor in Council upon the recommendations of the Board may deem to be for the benefit of producers.

(11) **PROVISION FOR FINAL PAYMENT EXPENSES**

This represents the balance of the Board's reserve for final payment expenses of pool accounts that have been closed. Six years after particular accounts have been closed, the remaining reserves for these pools are transferred to the special account by Order-in-Council.

(12) **LEASE COMMITMENTS**

The Board, as an agent of Her Majesty in Right of Canada, is the lessor of 2,000 covered hopper cars for the Government of Canada. All lease costs are recoverable from the Government and are not a charge to the operations of the Board. Total payments associated with leases in the year ended July 31, 1986, amounting to $16,809,962 (1985 — $16,728,906) have been recovered by the Board. Lease terms are for 20 and 25 years.

ACKNOWLEDGEMENTS

The Board wishes to express its appreciation for the efforts that were made by the officers and employees of the country elevator companies, the railway companies, terminal elevator companies, export agents, lake vessel operators and all those who participated in the sale and shipment of Prairie grain.

We would also like to record our appreciation for the loyal and conscientious services rendered by officers and staff of the Board.

This report is respectfully submitted.

W. E. JARVIS
Chief Commissioner

R. L. KRISTJANSON
Assistant Chief Commissioner

F. M. HETLAND
Commissioner

W. H. SMITH
Commissioner

1 METRIC TONNE (For All Grains) — **2,204.6226 pounds**

1 Metric Tonne = Bushels

Wheat	36.743 710
Durum Wheat	36.743 710
Oats	64.841 841
Barley	45.929 638
Rye	39.368 261
Flaxseed	39.368 261
Rapeseed	44.092 452
Corn	39.368 261

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July 31, 1986

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AUDITOR'S REPORT

EXHIBIT I

BALANCE SHEET AS AT JULY 31, 1986

(with prior year figures for comparison)

	1986	1985
ASSETS		
Stocks of grain:		
— Wheat	$ 983,030,499	$1,162,910,405
— Durum	69,281,906	80,190,344
— Oats	10,643,612	3,556,023
— Designated Oats	216,145	109,682
— Barley	159,086,431	98,237,385
— Designated Barley	13,809,239	10,117,349
	1,236,067,832	1,355,121,188
Bills of exchange plus accrued interest (Note 2)	3,552,049,345	3,691,148,705
Accounts receivable (Note 3)		
Amounts Due on completed sales	102,178,934	20,182,068
Sundry	43,108,832	49,498,523
Prairie Grain Advance Payments Act	16,101,510	5,438,408
Due from the Government of Canada re deficit on Pool Account Operations:		
1985-86 Pool Account — Wheat	22,994,777	—
— Oats	6,919,810	—
— Barley	171,370,689	—
The Canadian Wheat Board Building, Winnipeg, at cost less depreciation	1,941,914	2,052,051
Covered hopper cars, at cost less depreciation (Note 4)	69,904,057	73,137,536
Office furniture, equipment and automobiles, at cost less depreciation	1,084,679	1,048,458
Deferred and prepaid expenses	10,682,075	12,430,376
	$5,234,404,454	$5,210,057,313

THE CANADIAN WHEAT BOARD

	1986	1985
LIABILITIES		
Liability to Banks (Note 5)	$3,884,278,500	$3,908,353,974
Debentures payable (Note 6)	69,015,000	67,480,000
Liability to agents for grain purchased from producers (Note 7)	962,178,232	570,996,143
Liability to agents for deferred cash tickets (Note 8)	144,884,269	146,494,799
Accrued expenses and accounts payable (Note 9)	114,614,257	118,394,334
Outstanding adjustment and final payment cheques to producers:		
— Wheat	355,645	595,517
— Durum	55,415	37,847
— Oats	2,186	5,639
— Designated Oats	391	1,426
— Barley	73,752	26,462
— Designated Barley	15,955	21,831
Special Account — net balance of undistributed payment accounts (Note 10)	4,174,428	5,171,556
Provision for final payment expenses (Note 11)	7,439,828	7,197,503
Surpluses resulting from operations:		
Pool Account:		
— Wheat	—	298,637,686
— Durum	25,466,720	41,422,294
— Oats	—	675,422
— Designated Oats	635,944	813,196
— Barley	—	19,066,956
— Designated Barley	21,213,932	24,664,728
	$5,234,404,454	$5,210,057,313

EXHIBIT II

1985-86 POOL ACCOUNT — WHEAT

For the period August 1, 1985, to completion of operations on November 30, 1986 (with prior year figures for the 1984-85 Pool Account for comparison)

Wheat acquired:
- Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...
- Net tonnes acquired from the adjustment of overages and shortages, etc., at country and terminal elevators at Board initial prices basis in store Thunder Bay or Vancouver .....
- Purchased from prior year Pool Account—Wheat .....

Wheat sold:
- Completed sales to July 31 basis in store Thunder Bay, Vancouver or Churchill:
  - Domestic .....
  - Export .....
  - Weight losses in transit and in drying .....

Wheat stocks — being Wheat stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay, Vancouver or Churchill:
- Completed sales for the period subsequent to July 31:
  - Domestic .....
  - Export .....
  - Sale to the subsequent Pool Account—Wheat .....

Surplus on Wheat transactions .....

Operating costs:
- Carrying charges:
  - Carrying charges on Wheat stored in country elevators .....
  - Storage on Wheat stored in terminal elevators .....
- Interest, bank charges and net interest on other Board accounts .....
- Demurrage .....
- Additional freight — Wheat shipped from country stations to terminal position .....
  — freight rate changes .....
- Handling and stop-off on Wheat warehoused at interior terminals .....
- Drying charges .....
- Interest and depreciation on Wheat Board hopper cars .....
- Wheat Board administrative and general expenses .....

(Deficit) Surplus on operations of the Board on the Pool Account—Wheat, for the period from August 1, 1985, to November 30, 1986 (1984-85 September 30, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86		1984-85	
Tonnes	Amount	Tonnes	Amount
18 931 918	$2,762,203,255	16 192 572	$2,722,955,091
153 256	22,701,518	93 765	15,823,780
2 643 047	485,321,721	482 460	84,511,290
21 728 221	3,270,226,494	16 768 797	2,823,290,161
1 356 661		1 171 699	
12 522 048		9 316 116	
96 067		5 672	
13 974 776	2,436,669,118	10 493 487	2,119,100,423
470 329		258 172	
5 421 659		3 374 091	
1 861 457		2 643 047	
7 753 445	983,030,499	6 275 310	1,162,910,405
21 728 221	3,419,699,617	16 768 797	3,282,010,828
	149,473,123		458,720,667
	80,147,712		88,292,322
	27,039,928		28,079,232
	107,187,640		116,371,554
	(2,674,500)		12,300,778
	6,530,228		(2,416,042)
	8,087,425		5,606,478
	(126,518)		(2,608,292)
	508,282		1,055,877
	23,113,388		767,681
	10,681,214		10,170,355
	19,160,741		18,834,592
	172,467,900		160,082,981
	$ (22,994,777)		$ 298,637,686

EXHIBIT III

1985-86 POOL ACCOUNT — AMBER DURUM WHEAT

For the period August 1, 1985, to completion of operations on October 31, 1986 (with prior year figures for the 1984-85 Pool Account for comparison)

Durum acquired:
- Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...
- Net tonnes acquired from the adjustment of overages and shortages, etc., at country and terminal elevators at Board initial prices basis in store Thunder Bay or Vancouver .....
- Purchased from prior year Pool Account—Durum .....

Durum sold:
- Completed sales to July 31 basis in store Thunder Bay, Vancouver or Churchill:
  - Domestic .....
  - Export .....
  - Weight losses in transit and in drying .....

Durum stocks — being Durum stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay, Vancouver or Churchill:
- Completed sales for the period subsequent to July 31:
  - Domestic .....
  - Export .....
  - Sale to the subsequent Pool Account—Durum .....

Surplus on Amber Durum Wheat transactions .....

Operating costs:
- Carrying charges:
  - Carrying charges on Durum stored in country elevators .....
  - Storage on Durum stored in terminal elevators .....
- Interest and bank charges .....
- Demurrage .....
- Additional freight — Durum shipped from country stations to terminal position .....
  - freight rate changes .....
- Handling and stop-off on Durum warehoused at interior terminals .....
- Drying charges .....
- Interest and depreciation on Wheat Board hopper cars .....
- Wheat Board administrative and general expenses .....

Surplus on operations of the Board on the Pool Account—Durum, for the period from August 1, 1985, to October 31, 1986 (1984-85 September 30, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86			1984-85	
Tonnes	Amount		Tonnes	Amount
1 685 977	$256,984,980		1 786 421	$319,040,593
7 299	990,521		8 270	1,434,938
119 646	22,440,181		—	—
1 812 922	280,415,682		1 794 691	320,475,531
131 955			98 269	
1 158 296			1 276 828	
20 075			3 247	
1 310 326	250,864,551		1 378 344	297,296,259
26 635			25 348	
286 396			271 353	
189 565			119 646	
502 596	69,281,906		416 347	80,190,345
1 812 922	320,146,457		1 794 691	377,486,604
	39,730,775			57,011,073
	6,528,593			7,863,782
	2,763,732			4,096,695
	9,292,325			11,960,477
	(1,439,525)			2,045,742
	888,837			(1,748,659)
	201,681			239,158
	(1,024)			(115,901)
	916,763			—
	1,819,147			8,037
	951,213			1,122,027
	1,634,638			2,077,897
	14,264,055			15,588,778
	$ 25,466,720			$41,422,295

EXHIBIT IV

1985-86 POOL ACCOUNT — OATS

For the period August 1, 1985, to completion of operations on November 30, 1986 (with prior year figures for the 1984-85 Pool Account for comparison)

Oats acquired:
- Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...
- Net tonnes acquired from the adjustment of overages and shortages, etc., at country and terminal elevators at Board initial prices basis in store Thunder Bay or Vancouver .....
- Purchased from prior year Pool Account — Oats .....

Oats sold:
- Completed sales to July 31 basis in store Thunder Bay or Vancouver .....
- Weight losses in transit and in drying .....
- Oats stocks — being Oats stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay or Vancouver:
  - Completed sales for period subsequent to July 31 .....
  - Sale to subsequent Pool Account — Oats .....

(Deficit) Surplus on Oats transactions .....

Operating costs:
- Carrying charges:
  - Carrying charges on Oats stored in country elevators .....
  - Storage on Oats stored in terminal elevators .....
- Interest and bank charges .....
- Demurrage .....
- Additional freight — Oats shipped from country stations to terminal position .....
  — freight rate changes .....
- Drying charges .....
- Interest and depreciation on Wheat Board hopper cars .....
- Wheat Board administrative and general expenses .....

(Deficit) Surplus on operations of the Board on the Pool Account — Oats, for the period from August 1, 1985, to November 30, 1986 (1984-85 November 15, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86		1984-85	
Tonnes	Amount	Tonnes	Amount
198 411	$ 19,614,453	54 639	$5,416,401
234	23,774	—	—
4 310	440,331	16 369	1,785,902
202 955	20,078,558	71 008	7,202,303
59 640	5,044,472	38 487	4,921,612
—		—	
114 325	8,443,804	28 211	3,115,692
28 990	2,199,808	4 310	440,331
202 955	15,688,084	71 008	8,477,635
	(4,390,474)		1,275,332
	1,056,922		285,692
	538,960		194,177
	1,595,882		479,869
	236,658		3,410
	37,344		—
	147,068		98,106
	17,206		(84,660)
	171,454		—
	111,942		34,318
	211,782		68,867
	2,529,336		599,910
	$ (6,919,810)		$ 675,422

EXHIBIT V

1985-86 POOL ACCOUNT — DESIGNATED OATS

For the period August 1, 1985, to completion of operations on October 31, 1986
(with prior year figures for 1984-85 Pool Account for comparison)

Designated Oats acquired:
Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...

Designated Oats sold:
Completed sales to July 31 basis in store Thunder Bay or Vancouver .....
Designated Oats stocks — being Designated Oats stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay or Vancouver:
Completed sales for the period subsequent to July 31 .....

Surplus on Designated Oats transactions .....

Operating costs:
Interest .....
Interest and depreciation on Canadian Wheat Board hopper cars .....
Wheat Board administrative and general expenses .....

Surplus on operations of the Board on the Pool Account — Designated Oats, for the period from August 1, 1985, to October 31, 1986 (1984-85 September 30, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86		1984-85	
Tonnes	Amount	Tonnes	Amount
36 714	$ 4,644,373	44 219	$6,061,679
34 968	5,052,964	43 504	6,749,003
1 746	216,145	715	109,682
36 714	5,269,109	44 219	6,858,685
	624,736		797,006
	(67,518)		(95,397)
	20,714		27,773
	35,596		51,434
	(11,208)		(16,190)
	$ 635,944		$ 813,196

EXHIBIT VI

1985-86 POOL ACCOUNT — BARLEY

For the period August 1, 1985, to completion of operations on October 31, 1986 (with prior year figures for the 1984-85 Pool Account for comparison)

Barley acquired:
- Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...
- Net tonnes acquired from the adjustment of overages and shortages, etc., at country and terminal elevators at Board initial prices basis in store Thunder Bay or Vancouver .....
- Purchased from prior year Pool Account — Barley .....

Barley sold:
- Completed sales to July 31 basis in store Thunder Bay, Vancouver or Churchill .....
- Weight losses in transit and in drying .....
- Barley stocks — being Barley stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay, Vancouver or Churchill:
  - Completed sales for the period subsequent to July 31 .....
  - Sales to subsequent Pool Account — Barley .....

(Deficit) Surplus on Barley transactions .....

Operating costs:
- Carrying charges:
  - Carrying charges on Barley stored in country elevators .....
  - Storage on Barley stored in terminal elevators .....
- Interest and bank charges .....
- Demurrage .....
- Additional freight — Barley shipped from country stations to terminal position .....
  — freight rate changes .....
- Handling and stop-off on Barley warehoused at interior terminals .....
- Drying charges .....
- Interest and depreciation on Wheat Board hopper cars .....
- Wheat Board administrative and general expenses .....

(Deficit) Surplus on operations of the Board on the Pool Account — Barley, for the period from August 1, 1985, to October 31, 1986 (1984-85 September 30, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86		1984-85	
Tonnes	Amount	Tonnes	Amount
4 947 005	$539,124,215	3 068 472	$382,262,408
18 862	2,411,708	17 053	2,105,090
480 853	53,604,187	—	—
5 446 720	595,140,110	3 085 525	384,367,498
3 156 990	303,417,269	2 235 067	318,598,608
21 463	—	2 545	—
2 268 267	159,086,431	367 060	44,633,198
—	—	480 853	53,604,187
5 446 720	462,503,700	3 085 525	416,835,993
	(132,636,410)		32,468,495
	10,622,501		4,724,253
	3,957,268		3,356,581
	14,579,769		8,080,834
	5,593,975		(1,306,516)
	975,328		(449,348)
	2,165,184		1,897,338
	19,309		(893,639)
	1,703,300		(52,098)
	6,109,994		628,571
	2,791,055		1,927,267
	4,796,365		3,569,130
	38,734,279		13,401,539
	$(171,370,689)		$ 19,066,956

EXHIBIT VII

1985-86 POOL ACCOUNT — DESIGNATED BARLEY

For the period August 1, 1985, to completion of operations on October 31, 1986 (with prior year figures for the 1984-85 Pool Account for comparison)

Designated Barley acquired:
Purchased from Producers at Board initial prices basis in store Thunder Bay or Vancouver ...

Designated Barley sold:
Completed sales to July 31 basis in store Thunder Bay or Vancouver .....
Designated Barley stocks — being Designated Barley stocks on hand at July 31 stated at the ultimate value received from the sale thereof, basis in store Thunder Bay or Vancouver:
Completed sales for the period subsequent to July 31 .....

Surplus on Designated Barley transactions .....

Operating costs:
Interest .....
Interest and depreciation on Canadian Wheat Board hopper cars .....
Wheat Board administrative and general expenses .....

Surplus on operations of the Board on the Pool Account — Designated Barley, for the period from August 1, 1985, to October 31, 1986 (1984-85 September 30, 1985) .....

THE CANADIAN WHEAT BOARD

STATEMENT OF OPERATIONS

1985-86		1984-85	
Tonnes	Amount	Tonnes	Amount
645 255	$101,758,993	712 195	$111,703,201
574 947	108,116,420	661 381	124,998,887
70 308	13,809,239	50 814	10,117,349
645 255	121,925,659	712 195	135,116,236
	20,166,666		23,413,035
	(2,036,919)		(2,527,411)
	364,047		447,320
	625,606		828,398
	(1,047,266)		(1,251,693)
	$ 21,213,932		$ 24,664,728

EXHIBIT VIII

STATEMENT OF ADMINISTRATIVE AND GENERAL

For the year ended July 31, 1986 (with prior year figures for comparison)

Administrative and General Expenses:	1985-86	1984-85
Salaries — Board members, officers and staff	$15,339,013	$15,131,273
Unemployment insurance, pension, group insurance, medical & other employee benefits	2,022,676	1,964,496
Manitoba Health and Education Tax	225,074	235,956
Advisory Committee — travelling expenses and per diem allowances	77,769	79,197
Rental & lighting of offices including maintenance of The Canadian Wheat Board Building	1,590,643	1,424,092
Telephones — exchange service & long distance calls	347,095	354,578
Telegrams, cables & telex expense	145,468	141,293
Postage	636,982	583,765
Printing, stationery & supplies	595,479	642,392
Annual report, mini report & "Grain Matters", etc.	139,041	156,284
District meetings	13,564	19,452
Office expense	566,028	505,709
Travelling & transfer of staff	893,265	847,801
Travelling expenses — inspectors	162,716	184,653
Legal fees and court costs	47,586	31,629
Audit fees	91,000	91,000
Computing equipment — rental & sundries	3,481,523	2,383,997
Repair & upkeep of office machines & equipment	47,889	49,545
Grain market publications & services	88,272	80,635
The Canadian Wheat Board share of operating expenses of Canadian International Grains Institute	997,623	882,131
Bonds and insurance	40,408	29,993
Winnipeg Commodity Exchange dues	10,370	12,820
Depreciation on building, furniture, equipment & automobiles	339,715	274,440
	$27,899,199	$26,107,131

THE CANADIAN WHEAT BOARD

EXPENSES AND ALLOCATIONS TO OPERATIONS

Allocations to Operations:	1985-86	1984-85
1. Marketing of Producers' Grain		
1985-86 Pool Account — Wheat	$10,430,547	
1985-86 Pool Account — Durum	925,901	
1985-86 Pool Account — Oats	108,963	
1985-86 Pool Account — Designated Oats	20,162	
1985-86 Pool Account — Barley	2,716,785	
1985-86 Pool Account — Designated Barley	354,360	
1984-85 Pool Account — Wheat	8,888,637	
1984-85 Pool Account — Durum	980,625	
1984-85 Pool Account — Oats	35,307	
1984-85 Pool Account — Designated Oats	24,273	
1984-85 Pool Account — Barley	1,684,385	
1984-85 Pool Account — Designated Barley	390,947	
	26,560,892	24,658,035
2. Distributing Final Payments to Producers		
(a) Wheat & Durum		
1984-85 Pool Account — Wheat	163,784	
1984-85 Pool Account — Durum	27,298	
1983-84 Pool Account — Wheat	25,397	
1983-84 Pool Account — Durum	3,749	
1982-83 Pool Account — Wheat	4,425	
1982-83 Pool Account — Durum	604	
1981-82 Pool Account — Wheat	2,435	
1981-82 Pool Account — Durum	329	
1980-81 Pool Account — Wheat	2,874	
1980-81 Pool Account — Durum	394	
1979-80 Pool Account — Wheat	2,210	
1979-80 Pool Account — Durum	302	
	233,801	308,135
(b) Coarse Grains		
1984-85 Pool Account — Oats	10,553	
1984-85 Pool Account — Designated Oats	1,799	
1984-85 Pool Account — Barley	55,965	
1984-85 Pool Account — Designated Barley	8,434	
1983-84 Pool Account — Oats	2,233	
1983-84 Pool Account — Designated Oats	384	
1983-84 Pool Account — Barley	12,170	
1983-84 Pool Account — Designated Barley	2,025	
1982-83 Pool Account — Oats	1,025	
1982-83 Pool Account — Designated Oats	183	
1982-83 Pool Account — Designated Barley	3,071	
1981-82 Pool Account — Designated Oats	664	
1981-82 Pool Account — Barley	1,437	
1981-82 Pool Account — Designated Barley	252	
1980-81 Pool Account — Oats	783	
1980-81 Pool Account — Barley	1,698	
1980-81 Pool Account — Designated Barley	297	
1979-80 Pool Account — Barley	1,304	
1979-80 Pool Account — Designated Barley	229	
	104,506	140,961
3. Allocation authorized by Order-In-Council from Special Account — Undistributed Payment Accounts in partial payment of Administrative and General Expense incurred in respect of the Prairie Grain Advance Payments Act	1,000,000	1,000,000
	$27,899,199	$26,107,131

EXHIBIT IX

STATEMENT OF ADVANCE PAYMENTS TO PRODUCERS UNDER THE PRAIRIE GRAIN ADVANCE PAYMENTS ACT

As at July 31, 1986

	Cash Advances to Producers	Advances Repaid by Producers	Balance to be Refunded by Producers
1957-58 Crop Year	$ 35,203,467	$ 35,200,848	$ 2,619
1958-59 Crop Year	34,369,653	34,366,768	2,885
1959-60 Crop Year	38,492,505	38,490,056	2,449
1960-61 Crop Year	63,912,550	63,904,499	8,051
1961-62 Crop Year	16,656,713	16,651,472	5,241
1962-63 Crop Year	29,251,526	29,245,974	5,552
1963-64 Crop Year	62,136,418	62,129,676	6,742
1964-65 Crop Year	32,961,844	32,955,723	6,121
1965-66 Crop Year	40,600,386	40,596,508	3,878
1966-67 Crop Year	36,668,270	36,664,915	3,355
1967-68 Crop Year	47,280,533	47,277,574	2,959
1968-69 Crop Year	151,852,319	151,772,155	80,164
1969-70 Crop Year	272,777,516	272,476,405	301,111
1970-71 Crop Year	91,105,890	91,076,240	29,650
1971-72 Crop Year	68,142,360	68,108,551	33,809
1972-73 Crop Year	20,754,104	20,743,229	10,875
1973-74 Crop Year	35,259,387	35,219,656	39,731
1974-75 Crop Year	46,635,399	46,604,087	31,312
1975-76 Crop Year	20,236,528	20,208,199	28,329
1976-77 Crop Year	130,592,220	130,475,756	116,464
1977-78 Crop Year	119,090,916	118,918,678	172,238
1978-79 Crop Year	151,316,450	151,195,641	120,809
1979-80 Crop Year	99,146,581	99,073,930	72,651
1980-81 Crop Year	61,640,150	61,600,876	39,274
1981-82 Crop Year	333,688,190	333,194,187	494,003
1982-83 Crop Year	309,022,755	308,039,815	982,940
1983-84 Crop Year	286,736,519	285,598,650	1,137,869
1984-85 Crop Year	201,289,320	199,198,047	2,091,273
1985-86 Crop Year	340,670,596	317,090,565	23,580,031
	$3,177,491,065	$3,148,078,680	
Balance to be refunded by Producers as at July 31, 1986			29,412,385
Add:			
Bank interest to July 31, 1986, payable by the Government of Canada		117,015,857	
Less: Amount paid to July 31, 1986		116,798,341	217,516
			29,629,901
Deduct:			
Balance of funds received to cover advance payments in default:			
Government of Canada		1,114,724	
Line Elevator Companies		70,537	
Interest received on default payments		12,343,130	13,528,391
Owing to The Canadian Wheat Board as at July 31, 1986			$16,101,510

THE CANADIAN WHEAT BOARD

EXHIBIT X

STATEMENT OF SPECIAL ACCOUNT TRANSACTIONS

For the year ended July 31, 1986

Balance of Special Account as at July 31, 1985		$5,171,556
Transfer to Special Account authorized by Order-in-Council P.C. 1986-1872 from the following:		
1978 Wheat Payment Account	$701,856	
1978 Durum Payment Account	92,360	
1978 Oats Payment Account	(17,069)	
1978 Barley Payment Account	218,721	
1978 Designated Barley Payment Account	95,065	1,090,933
		6,262,489

Expenditures:

Authorized by Order-in-Council No.	Description of Purpose	Unexpended as at July 31, 1985	Authorized Crop Year 1985-86	Unexpended as at July 31, 1986	Expended Crop Year 1985-86	
P.C. 1986-1874	Market Development	$ 359,167	$ 650,000	$ 461,972	$ 547,195	
P.C. 1986-1873	General Promotion & Overseas Advertising	36,009	150,000	133,086	52,923	
P.C. 1986-1058	Prairie Grain Advance Payment Act — Administration	—	3,000,000	2,000,000	1,000,000	
P.C. 1985-2262	Remote Sensing Crop Monitoring Project	33,000	—	33,000	—	
P.C. 1985-1946	General Promotion and Overseas Advertising — 50th Anniversary	140,000	—	—	140,000	
P.C. 1985-1945	Customer Mission Program — 50th Anniversary	292,880	—	220,678	72,202	
P.C. 1984-2690	Customer Mission Program	275,635	—	266,137	9,498	
P.C. 1983-2007	Canadian International Grains Institute — Capital Expenditures	69,539	—	45,048	24,491	
P.C. 1983-2003	Joint Policy Coordinating Committee of Canada and United States Wheat Producers	88,133	—	88,133	—	
P.C. 1981-3436	Scholarship and Assistantship Program	30,142	249,858	44,118	235,882	
		$1,324,505	$4,049,858	$3,292,172		2,082,191
						4,180,298
Less: Payments to producers against old payment accounts						5,870
Balance of Special Account as at July 31, 1986						$4,174,428

As at July 31, 1986, there were unexpended authorizations totaling $3,292,172 leaving an unexpended balance of $882,256 in the Account.

Deloitte
Haskins + Sells

Chartered Accountants

Suite 2100
360 Main Street
Winnipeg, Manitoba R3C 3Z3
(204) 949-1370

AUDITORS' REPORT

To The Canadian Wheat Board:

We have examined the balance sheet of The Canadian Wheat Board as at July 31, 1986, and the statements of operations for the 1985-86 pool accounts for amber durum wheat, designated oats, barley and designated barley for the period August 1, 1985 to completion of operations on October 31, 1986, the statements of operations for the 1985-86 pool accounts for wheat and oats for the period August 1, 1985 to completion of operations on November 30, 1986, the statement of administrative and general expenses and allocations to operations for the year ended July 31, 1986, the statement of advance payments to producers under the Prairie Grain Advance Payments Act as at July 31, 1986, and the statement of special account transactions for the year ended July 31, 1986. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statments present fairly the financial position of the Board as at July 31, 1986 and the results of operations for the periods shown, in accordance with generally accepted accounting principles consistently applied.

Deloitte Haskins + Sells

Chartered Accountants

March 13, 1987

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TABLE I
ACREAGE OF PRINCIPAL GRAINS IN THE WESTERN CANADIAN PROVINCES
1962 to 1986

Crop Year	Wheat 000 acres	Durum 000 acres	All Wheat 000 acres	Oats 000 acres	Barley 000 acres	Rye 000 acres	Flaxseed[2] 000 acres	Rapeseed[3] 000 acres	Total 000 acres
1962	22,907	3,423	26,330	7,240	5,177	571	1,398	371	41,087
1963	25,087	2,003	27,090	6,338	6,042	634	1,630	478	42,212
1964	27,427	1,773	29,200	5,136	5,325	637	1,918	791	43,007
1965	27,093	799	27,892	5,705	5,893	745	2,267	1,435	43,937
1966	28,229	1,064	29,293	5,491	7,160	674	1,885	1,525	46,028
1967	28,369	1,302	29,671	5,157	7,780	631	999	1,635	45,873
1968	26,648	2,370	29,018	5,418	8,500	622	1,503	1,056	46,117
1969	21,396	3,154	24,550	5,506	8,970	786	2,321	2,022	44,155
1970	9,010	3,065	12,075	5,320	9,480	767	3,300	4,074	35,016
1971	16,722	2,272	18,994	5,405	13,508	907	1,762	5,341	45,917
1972	17,755	3,160	20,915	4,723	12,050	583	1,320	3,318	42,909
1973	20,865	2,350	23,215	5,370	11,520	584	1,450	3,205	45,344
1974	18,720	2,850	21,570	4,865	11,370	804	1,450	3,160	43,219
1975	19,205	3,650	22,855	4,710	10,590	747	1,400	4,520	44,822
1976	23,665	3,500	27,165	4,738	10,302	550	800	1,778	45,333
1977	22,475	1,800	24,275	4,220	11,330	566	1,475	3,590	45,456
1978	22,020	3,650	25,670	3,460	10,060	733	1,300	6,980	48,203
1979	22,580	2,800	25,380	2,750	8,730	745	2,300	8,420	48,325
1980	23,760	3,300	27,060	2,706	10,950	686	1,370	5,140	47,912
1981	25,856	4,200	30,056	3,068	12,730	999	1,150	3,463	51,466
1982	26,950	3,650	30,600	3,170	11,875	997	1,550	4,390	52,582
1983	29,660	3,500	33,160	2,620	9,830	956	1,065	5,750	53,381
1984	27,710	4,150	31,860	2,680	10,395	815	1,780	7,610	55,140
1985	28,920	4,300	33,220	2,710	10,800	830	1,830	6,875	56,265
1986[1]	29,605	4,650	34,255	3,160	11,070	755	1,990	6,775	58,005

[1] Subject to revision.
[2] Flaxseed acreage for British Columbia not available 1972 forward.
[3] Rapeseed acreage for British Columbia not available 1962 to 1966.
Source: Statistics Canada.

TABLE II
YIELD OF PRINCIPAL GRAINS IN THE WESTERN CANADIAN PROVINCES
1962 to 1986

Crop Year	Wheat kg per acre	Durum kg per acre	All Wheat kg per acre	Oats kg per acre	Barley kg per acre	Rye kg per acre	Flaxseed kg per acre	Rapeseed kg per acre
1962	574	522	566	697	677	475	277	361
1963	710	679	708	748	777	485	317	399
1964	545	494	542	631	657	434	256	378
1965	622	546	621	743	766	561	317	356
1966	754	727	754	723	862	594	297	383
1967	533	422	528	591	666	427	228	344
1968	601	522	593	722	786	470	325	418
1969	728	716	727	760	856	437	305	376
1970	705	718	708	811	890	566	366	404
1971	744	671	735	836	930	577	322	406
1972	678	633	672	786	897	518	337	397
1973	685	600	678	796	851	566	340	382
1974	595	548	588	638	738	561	241	368
1975	730	646	716	763	856	651	317	407
1976	843	817	841	856	980	706	345	471
1977	784	709	778	848	1 004	650	442	550
1978	807	781	803	805	979	772	440	501
1979	644	643	644	770	973	627	354	405
1980	689	617	680	820	971	547	323	483
1981	810	709	796	840	1 006	833	407	530
1982	860	855	859	930	1 085	821	474	512
1983	775	749	772	826	945	775	417	453
1984	655	502	635	732	885	702	389	447
1985	729	455	694	822	976	613	493	504
1986[1]	898	870	893	959	817	784	536	564

[1] Subject to revision.
Source: Statistics Canada.

TABLE III
PRODUCTION OF PRINCIPAL GRAINS IN THE WESTERN CANADIAN PROVINCES
1962 to 1986

Crop Year	Wheat 000 tonnes	Durum 000 tonnes	All Wheat 000 tonnes	Oats 000 tonnes	Barley 000 tonnes	Rye 000 tonnes	Flaxseed[2] 000 tonnes	Rapeseed[3] 000 tonnes	Total 000 tonnes
1962	13 148	1 788	14 936	5 042	3 508	271	389	133	24 279
1963	17 821	1 361	19 182	4 736	4 691	308	516	190	29 623
1964	14 945	876	15 821	3 243	3 502	276	493	300	23 635
1965	16 842	436	17 278	4 241	4 518	418	722	513	27 690
1966	21 285	773	22 058	3 975	6 169	401	559	585	33 747
1967	15 129	550	15 679	3 046	5 178	268	229	563	24 963
1968	16 005	1 236	17 241	3 908	6 689	292	490	441	29 061
1969	15 578	2 259	17 837	4 190	7 670	343	706	760	31 506
1970	6 355	2 202	8 557	4 318	8 448	435	1 214	1 646	24 618
1971	12 446	1 524	13 970	4 522	12 571	523	567	2 166	34 319
1972	12 033	2 000	14 033	3 717	10 812	304	447	1 317	30 630
1973	14 294	1 410	15 704	4 270	9 798	328	493	1 224	31 817
1974	11 145	1 562	12 707	3 108	8 391	452	351	1 163	26 172
1975	14 013	2 357	16 370	3 596	9 051	486	444	1 839	31 786
1976	19 954	2 858	22 812	4 053	10 087	387	277	837	38 453
1977	17 622	1 276	18 898	3 580	11 380	368	653	1 973	36 852
1978	17 772	2 852	20 624	2 787	9 847	566	572	3 497	37 893
1979	14 557	1 799	16 356	2 117	7 899	467	815	3 411	31 065
1980	16 368	2 036	18 404	2 219	10 649	375	442	2 483	34 572
1981	20 945	2 977	23 922	2 578	12 804	832	468	1 837	42 441
1982	23 174	3 121	26 295	2 949	12 882	819	734	2 246	45 925
1983	22 976	2 620	25 596	2 165	9 286	741	444	2 602	40 834
1984	18 137	2 085	20 222	1 961	9 197	572	693	3 407	36 052
1985	21 089	1 957	23 046	2 227	11 061	509	902	3 467	41 212
1986[1]	26 575	4 045	30 620	3 295	13 555	592	1 067	3 820	52 949

[1] Subject to revision.
[2] Flaxseed production for British Columbia not available 1972 forward.
[3] Rapeseed production for British Columbia not available 1962 to 1966.
Source: Statistics Canada.

TABLE IV
PRODUCERS' MARKETINGS — WESTERN CANADIAN GRAINS
CROP YEARS 1961-62 to 1985-86

Crop Year	Wheat 000 tonnes	Durum 000 tonnes	All Wheat 000 tonnes	Oats 000 tonnes	Barley 000 tonnes	Rye 000 tonnes	Flaxseed 000 tonnes	Rapeseed 000 tonnes	Total 000 tonnes
1961-62	8 023	287	8 310	434	1 292	87	304	228	10 655
1962-63	11 690	1 218	12 908	1 372	1 752	238	344	129	16 743
1963-64	14 284	1 191	15 475	767	2 002	202	441	170	19 057
1964-65	13 439	836	14 275	632	1 632	187	428	247	17 401
1965-66	14 967	529	15 496	798	2 044	306	602	426	19 672
1966-67	16 577	633	17 210	593	2 454	279	511	472	21 519
1967-68	11 922	489	12 411	475	1 901	176	202	454	15 619
1968-69	10 846	670	11 516	641	1 780	97	389	399	14 822
1969-70	10 158	1 089	11 247	322	3 667	193	561	646	16 636
1970-71	8 838	1 621	10 459	898	5 136	295	856	1 395	19 039
1971-72	11 945	2 139	14 084	499	6 433	395	548	1 584	23 543
1972-73	15 359	1 875	17 234	501	5 156	235	466	1 428	25 020
1973-74	13 294	1 302	14 596	614	5 118	189	391	993	21 901
1974-75	10 182	1 315	11 497	621	4 555	265	274	935	18 147
1975-76	11 993	2 307	14 300	794	4 686	321	395	1 399	21 895
1976-77	13 410	1 532	14 942	846	5 814	301	246	1 030	23 179
1977-78	17 275	1 835	19 110	764	5 237	256	494	1 759	27 620
1978-79	12 987	1 486	14 473	363	5 364	247	425	2 945	23 817
1979-80	16 795	1 909	18 704	319	5 408	449	675	2 928	28 483
1980-81	15 902	2 722	18 624	391	6 430	354	424	2 153	28 376
1981-82	17 064	2 607	19 671	503	7 505	617	377	1 991	30 664
1982-83	22 462	2 868	25 330	365	7 023	518	536	2 016	35 788
1983-84	20 749	2 273	23 022	407	6 690	691	381	2 264	33 455
1984-85	16 398	1 784	18 182	314	5 077	331	533	2 984	27 421
1985-86[1]	19 277	1 691	20 968	320	6 435	238	689	2 926	31 576

[1] Subject to revision.
Source: Canadian Grain Commission for 1985-86.
All previous years: Statistics Canada "Grain Trade of Canada".

TABLE V
PRIMARY ELEVATOR SHIPMENTS
CROP YEARS 1970-71 to 1985-86

Crop Year	Wheat 000 tonnes	Durum 000 tonnes	All Wheat 000 tonnes	Oats 000 tonnes	Barley 000 tonnes	Rye 000 tonnes	Flaxseed 000 tonnes	Rapeseed 000 tonnes	Total 000 tonnes
1970-71	10 972	1 564	12 536	686	4 851	255	737	1 108	20 173
1971-72	14 160	2 054	16 214	641	6 676	297	574	967	25 369
1972-73	15 061	1 853	16 914	589	4 662	290	507	1 239	24 201
1973-74	12 926	1 400	14 326	578	4 677	193	362	753	20 889
1974-75	11 173	1 577	12 750	528	4 838	213	279	679	19 287
1975-76	12 363	1 881	14 244	798	5 431	316	284	741	21 814
1976-77	13 384	1 704	15 088	942	5 232	265	317	1 035	22 879
1977-78	15 498	1 876	17 374	556	5 179	260	340	1 092	24 801
1978-79	13 508	1 478	14 986	353	5 680	219	466	1 863	23 567
1979-80	16 402	2 144	18 546	564	5 733	389	490	1 893	27 615
1980-81	15 988	2 500	18 488	406	5 740	450	508	1 280	26 872
1981-82	17 643	2 638	20 281	465	7 459	507	394	1 285	30 391
1982-83	21 089	2 871	23 960	368	6 815	388	382	1 228	33 141
1983-84	21 149	2 544	23 693	414	7 086	738	528	1 446	33 905
1984-85	17 803	1 933	19 736	303	4 551	346	490	1 757	27 183
1985-86[1]	17 481	1 438	18 919	236	5 859	283	558	1 616	27 471

[1] Subject to revision.
Source: Canadian Grain Commission for 1985-86.
All previous years: Statistics Canada "Grain Trade of Canada".

TABLE VI
VESSEL SHIPMENTS OF PRINCIPAL GRAINS FROM THE LAKEHEAD
CROP YEARS 1966-67 to 1985-86

Crop Year	Wheat 000 tonnes	Durum 000 tonnes	All Wheat 000 tonnes	Oats 000 tonnes	Barley 000 tonnes	Rye 000 tonnes	Flaxseed 000 tonnes	Rapeseed 000 tonnes	Total 000 tonnes
1966-67	8 909	788	9 697	552	1 434	184	305	34	12 206
1967-68	4 301	415	4 716	437	825	85	223	8	6 294
1968-69	4 370	603	4 973	309	895	84	167	25	6 453
1969-70	5 317	638	5 955	407	2 050	79	282	98	8 871
1970-71	6 481	1 210	7 691	427	3 398	97	363	317	12 293
1971-72	7 119	1 464	8 583	418	4 193	131	406	333	14 064
1972-73	7 765	1 403	9 168	404	2 497	68	334	391	12 862
1973-74	7 040	1 182	8 222	235	2 157	102	210	143	11 069
1974-75	6 173	1 241	7 414	215	2 068	103	168	61	10 029
1975-76	7 629	1 682	9 311	492	2 223	218	121	31	12 396
1976-77	7 448	1 212	8 660	669	2 159	67	207	161	11 923
1977-78	7 424	1 649	9 073	358	2 735	158	192	83	12 599
1978-79	7 351	1 017	8 368	201	2 859	57	333	249	12 067
1979-80	8 535	1 630	10 165	298	2 231	243	280	424	13 641
1980-81	8 285	1 783	10 068	212	1 961	315	269	127	12 952
1981-82	8 739	2 019	10 758	199	2 725	372	229	136	14 419
1982-83	10 918	2 242	13 160	163	3 182	116	249	125	16 995
1983-84	11 751	2 312	14 063	138	3 555	74	345	185	18 360
1984-85	9 559	1 741	11 300	90	1 066	12	322	150	12 940
1985-86[1]	7 975	1 128	9 103	41	1 521	11	327	156	11 159

[1] Subject to revision.
Source: Canadian Grain Commission 451.10 for 1985-86.
All previous years "Grain Trade of Canada"

TABLE VII
CANADIAN WHEAT SUPPLIES AND DISPOSITION
CROP YEARS 1966-67 to 1986-87

Crop Year	Inward Carryover[1] August 1st		Production[1]	Total Supplies	Domestic Disappearance[2]		Exports[1] Wheat and Flour	Total Outward[1] Carryover July 31st
	Farm	Commercial			Farm	Commercial[4]		
	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes
1966-67	2 722	8 712	22 516	33 950	2 425	1 941	14 024	15 560
1967-68	5 443	10 117	16 137	31 697	2 366	1 884	9 145	18 302
1968-69	6 613	11 689	17 689	35 991	2 479	2 006	8 323	23 183
1969-70	10 130	13 053	18 267	41 450	2 166	2 402	9 430	27 452
1970-71	14 770	12 682	9 024	36 476	2 355	2 295	11 846	19 980
1971-72	10 746	9 235	14 412	34 393	2 435	2 351	13 720	15 887
1972-73	8 477	7 410	14 515	30 402	2 384	2 381	15 692	9 945
1973-74	3 130	6 815	16 162	26 107	2 280	2 292	11 446	10 089
1974-75	2 205	7 884	13 304	23 393	2 016	2 560	10 779	8 038
1975-76	1 633	6 405	17 081	25 119	2 396	2 408	12 336	7 979
1976-77	1 578	6 401	23 587	31 566	2 523	2 289	13 436	13 318
1977-78	7 158	6 160	19 858	33 176	2 460	2 561	16 040	12 115
1978-79	5 007	7 108	21 136	33 251	2 466	2 790	13 084	14 911
1979-80	8 954	5 957	17 196	32 107	2 688	2 809	15 889	10 721
1980-81	4 273	6 448	19 292	30 013	2 732	2 509	16 262	8 510
1981-82	1 585	6 925	24 803	33 313	2 831	2 322	18 447	9 713
1982-83	3 560	6 153	26 736	36 449	2 602	2 496	21 368	9 983
1983-84	2 010	7 973	26 505	36 488	3 191	2 342	21 765	9 190
1984-85	1 735	7 455	21 199	30 389	2 914	2 294	17 583	7 598
1985-86	1 080	6 518	24 252	31 850	2 963	2 724	17 691	8 472
1986-87[3]	770	7 702	31 850	40 322				

[1] Source: Statistics Canada.
[2] A residual item. Farm disappearance is computed by adding inward farm carryover and production and deducting therefrom marketings and outward farm carryover. Commercial disappearance is computed by adding inward commercial carryover and marketings and deducting therefrom outward commercial carryover and exports.
[3] Subject to revision.
[4] Human food consumption in 1984-85 amounted to 1 970 000 tonnes. In 1985-86 the amount was 2 091 000 tonnes.

TABLE VIII
CANADIAN OATS SUPPLIES AND DISPOSITION
CROP YEARS 1966-67 to 1986-87

Crop Year	Inward Carryover August 1st[1]		Production[1]	Total Supplies	Domestic Disappearance[2]		Exports[1]	Total Outward[1] Carryover July 31st
	Farm	Commercial			Farm	Commercial		
	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes
1966-67	1 403	558	5 716	7 677	5 194	639	74	1 770
1967-68	1 326	444	4 654	6 424	4 570	535	55	1 264
1968-69	925	339	5 501	6 765	4 323	416	42	1 984
1969-70	1 457	527	5 473	7 457	4 603	487	79	2 288
1970-71	2 005	283	5 445	7 733	5 144	449	206	1 934
1971-72	1 406	528	5 640	7 574	5 067	523	161	1 823
1972-73	1 480	343	4 665	6 488	4 642	510	107	1 229
1973-74	1 002	227	5 070	6 299	4 573	519	13	1 194
1974-75	895	299	3 977	5 171	3 510	506	22	1 133
1975-76	741	392	4 480	5 613	3 624	477	281	1 231
1976-77	802	429	4 831	6 062	3 753	487	494	1 328
1977-78	1 033	295	4 283	5 611	3 349	497	90	1 675
1978-79	1 203	472	3 568	5 243	3 305	401	17	1 520
1979-80	1 103	417	2 879	4 399	2 961	444	103	891
1980-81	702	189	2 911	3 802	2 611	385	46	760
1981-82	610	150	3 188	3 948	2 655	387	51	855
1982-83	640	215	3 637	4 492	2 916	301	105	1 170
1983-84	995	175	2 773	3 943	2 790	335	123	695
1984-85	570	125	2 670	3 365	2 431	296	19	619
1985-86	495	124	2 997	3 616	2 537	229	44	806
1986-87[4]	635	171	3 906	4 712				

[1] Source: Statistics Canada.
[2] Source: Statistics Canada "Grain Trade of Canada". Includes Rolled Oats, Oatmeal and Seed Oats.
[3] A residual item. Farm disappearance is computed by adding inward farm carryover and production and deducting therefrom marketings and outward farm carryover. Commercial disappearance is computed by adding inward commercial carryover and marketings and deducting therefrom outward commercial carryover and exports.
[4] Subject to revision.

TABLE IX
CANADIAN BARLEY SUPPLIES AND DISPOSITION
CROP YEARS 1966-67 to 1986-87

Crop Year	Inward Carryover August 1st[1]		Production[1]	Total Supplies	Domestic Disappearance[3]		Exports[2]	Total Outward[1] Carryover July 31st
	Farm 000 tonnes	Commercial 000 tonnes	000 tonnes	000 tonnes	Farm 000 tonnes	Commercial 000 tonnes	000 tonnes	000 tonnes
1966-67	718	1 410	6 450	8 578	3 245	1 190	1 275	2 868
1967-68	1 459	1 410	5 505	8 374	3 499	1 123	902	2 850
1968-69	1 552	1 298	7 099	9 949	3 876	1 200	575	4 298
1969-70	2 972	1 325	8 084	12 381	4 602	1 391	1 923	4 465
1970-71	2 765	1 700	8 889	13 354	5 158	1 145	3 910	3 141
1971-72	1 342	1 799	13 098	16 239	6 121	1 270	5 020	3 828
1972-73	1 872	1 956	11 284	15 112	6 081	1 231	3 598	4 202
1973-74	1 915	2 287	10 218	14 420	5 576	1 531	2 776	4 537
1974-75	1 436	3 101	8 790	13 327	4 557	1 653	3 013	4 104
1975-76	1 110	2 994	9 510	13 614	4 837	1 688	4 326	2 763
1976-77	1 088	1 675	10 513	13 276	4 634	1 641	3 783	3 218
1977-78	1 132	2 086	11 802	15 020	4 582	1 690	3 540	5 208
1978-79	3 113	2 095	10 397	15 605	4 943	1 967	3 800	4 895
1979-80	3 200	1 695	8 478	13 373	5 139	2 142	4 086	2 006
1980-81	1 100	906	11 394	13 400	4 899	1 777	3 521	3 203
1981-82	1 140	2 063	13 724	16 927	5 370	1 424	6 002	4 131
1982-83	1 950	2 181	13 965	18 096	5 631	1 688	5 648	5 129
1983-84	3 225	1 904	10 209	15 338	5 656	2 174	5 537	1 971
1984-85	1 080	891	10 296	12 267	5 434	1 896	2 781	2 156
1985-86	865	1 291	12 443	14 599	5 778	1 722	3 795	3 304
1986-87[4]	1 095	2 209	15 026	18 330				

[1] Source: Statistics Canada.
[2] Source: Statistics Canada "Grain Trade of Canada". Includes Export Barley and Pot and Pearl Barley.
[3] A residual item. Farm disappearance is computed by adding inward farm carryover and production and deducting therefrom marketings and outward farm carryover. Commercial disappearance is computed by adding inward commercial carryover and marketings and deducting therefrom outward commercial carryover and exports.
[4] Subject to revision.

TABLE X
CANADIAN GRAIN STORAGE POSITION 1967 to 1986
VISIBLE STOCKS OF PRINCIPAL GRAINS AS AT JULY 31ST[1]

Year	Wheat 000 tonnes	Oats 000 tonnes	Barley 000 tonnes	Rye 000 tonnes	Flaxseed 000 tonnes	Rapeseed 000 tonnes	U.S. and Foreign Grain 000 tonnes	Total 000 tonnes	Total Licensed Capacity[2&3] 000 tonnes
1967	10 117	444	1 410	155	262	110	200	12 698	18 566
1968	11 689	339	1 298	141	104	170	209	13 950	18 982
1969	13 053	527	1 326	93	104	99	219	15 421	19 050
1970	12 682	283	1 700	151	136	79	284	15 315	19 051
1971	9 235	528	1 799	192	409	246	143	12 552	18 885
1972	7 410	344	1 956	261	255	609	206	11 041	18 318
1973	6 815	226	2 287	221	180	460	389	10 578	17 986
1974	7 884	299	3 101	203	163	247	313	12 210	17 626
1975	6 405	392	2 994	251	155	309	124	10 630	17 868
1976	6 401	429	1 675	223	330	697	142	9 897	17 518
1977	6 160	295	2 086	289	186	174	128	9 318	16 974
1978	7 108	472	2 095	212	367	291	201	10 746	16 858
1979	5 957	417	1 695	248	244	819	255	9 635	16 748
1980	6 448	189	906	279	440	1 137	349	9 748	16 631
1981	6 925	150	2 063	169	228	924	213	10 672	16 353
1982	6 154	215	2 181	231	221	621	176	9 799	16 071
1983	7 883	175	1 904	431	347	446	117	11 303	15 739
1984	7 358	125	891	326	130	105	83	9 018	15 533
1985	6 412	124	1 291	233	119	375	105	8 659	15 503
1986[4]	7 702	171	2 209	142	207	675	39	11 145	15 281

[1] Includes stocks in unlicensed mills and any stocks in licensed mills which have been transferred from elevator storage proper to mill or feed plants for processing.
[2] For all years the quantities indicate the capacity as at July 31st and include only licensed capacity.
[3] Metric tonnes expressed in wheat equivalent.
[4] Subject to revision.

TABLE XI
EXPORTS OF CANADIAN GRAIN AND GRAIN PRODUCTS
CROP YEARS 1961-62 to 1985-86

Crop Year	Wheat[1] 000 tonnes	Flour[2] 000 tonnes	Oats and Oat Products 000 tonnes	Barley and Barley Products 000 tonnes	Rye 000 tonnes	Flaxseed[3] 000 tonnes	Rapeseed[4] 000 tonnes	Corn 000 tonnes	Total 000 tonnes
1961-62	8 878	870	53	934	111	316	158	2	11 322
1962-63	8 276	742	335	335	186	330	130	1	10 335
1963-64	14 687	1 494	289	1 022	140	362	121	2	18 117
1964-65	10 017	858	240	806	123	398	210	7	12 659
1965-66	14 881	1 038	246	828	204	495	309	9	18 010
1966-67	13 157	867	74	1 275	253	433	313	2	16 374
1967-68	8 473	672	55	901	121	349	279	2	10 852
1968-69	7 653	670	42	575	108	355	325	6	9 734
1969-70	8 696	734	80	1 923	97	500	504	2	12 536
1970-71	11 169	676	206	3 910	227	571	1 062	5	17 826
1971-72	13 047	673	161	5 020	273	692	966	29	20 861
1972-73	15 057	636	107	3 598	209	529	1 226	21	21 383
1973-74	10 902	543	13	2 776	116	400	1 063	5	15 818
1974-75	10 229	550	22	3 013	123	273	664	4	14 878
1975-76	11 637	699	281	4 326	299	212	820	233	18 507
1976-77	12 711	725	494	3 783	168	369	1 449	180	19 879
1977-78	15 246	794	90	3 540	271	282	1 476	323	22 022
1978-79	12 302	782	17	3 800	154	514	2 287	192	20 048
1979-80	15 215	674	103	4 086	397	475	2 420	344	23 714
1980-81	15 569	693	46	3 521	446	607	2 212	1 051	24 145
1981-82	17 973	474	51	6 002	561	481	2 040	1 281	28 863
1982-83	20 956	411	105	5 648	313	471	1 752	511	30 167
1983-84	21 285	480	122	5 536	747	629	2 460	429	31 688
1984-85	17 113	470	19	2 781	376	564	2 590	569	24 482
1985-86[5]	17 318	372	44	3 794	234	599	2 365	490	25 216

[1] Wheat exports include bagged Seed Wheat.
[2] Wheat equivalent.
[3] Flaxseed exports include Linseed Oil for all years and Linseed Oil and Meal from 1979-80.
[4] Rapeseed exports for the years 1964-65 to 1972-73 do not include Rapeseed Oil exports. The years 1961-62 to 1963-64 include Rapeseed Oil exports. The years 1973-74 onward include Rapeseed Oil and Rapeseed Meal exports.
[5] Subject to revision.
Source: Canadian Grain Commission "Canadian Grain Exports" for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada".

TABLE XII
CANADIAN WHEAT (INCLUDING DURUM) EXPORTS BY AREAS AND COUNTRIES
CROP YEARS 1975-76 to 1984-85

Country	1976-77 000 tonnes	1977-78 000 tonnes	1978-79 000 tonnes	1979-80 000 tonnes	1980-81 000 tonnes	1981-82 000 tonnes	1982-83 000 tonnes	1983-84 000 tonnes	1984-85 000 tonnes	1985-86 000 tonnes
WESTERN EUROPE:										
EEC:										
Belgium and Luxembourg	38	71	36	12	—	16	23	10	127	100
Denmark	—	—	1	1	—	—	—	1	1	1
France	30	81	62	4	12	88	107	199	104	58
Germany, Federal Republic	356	66	15	12	1	18	1	26	3	3
Ireland	—	—	—	—	—	1	—	1	1	—
Italy	546	894	544	723	765	515	624	742	240	367
Netherlands	197	221	62	70	22	38	17	103	107	78
Portugal	—	—	—	—	—	—	—	—	—	149
United Kingdom	1 431	1 526	1 312	1 361	1 409	1 366	1 109	955	633	702
TOTAL EEC	2 598	2 859	2 032	2 183	2 209	2 042	1 881	2 037	1 216	1 458
OTHER WESTERN EUROPE:										
Finland	—	6	88	9	6	29	—	—	7	—
Norway	118	67	67	137	10	57	70	148	62	68
Portugal	—	57	39	43	17	—	—	—	—	—
Spain	—	26	54	—	51	—	—	—	—	—
Sweden	—	1	4	1	—	—	2	—	4	2
Switzerland	52	77	63	71	54	49	109	49	9	—
TOTAL OTHER WESTERN EUROPE	170	234	315	261	138	135	181	197	82	70
EASTERN EUROPE:										
Bulgaria	—	—	—	—	—	—	—	—	—	216
Czechoslovakia	67	—	—	6	—	14	5	5	5	—
Germany, People's Rep. of	292	32	74	10	67	—	308	73	170	48
Poland	868	686	583	1 487	1 091	1 674	622	52	91	22
Romania	84	—	—	—	—	—	—	—	—	—
U.S.S.R.	1 043	2 146	1 429	2 579	3 971	5 019	6 959	6 761	6 019	5 219
Yugoslavia	130	88	—	127	—	—	—	—	—	—
TOTAL EASTERN EUROPE	2 484	2 952	2 086	4 209	5 129	6 707	7 894	6 891	6 285	5 505
TOTAL EUROPE:	5 252	6 045	4 433	6 653	7 476	8 884	9 956	9 125	7 583	7 033
AFRICA:										
Algeria	508	462	335	598	654	590	512	813	508	492
Benin	—	—	—	1	—	—	—	—	—	—
Chad	—	—	—	—	—	—	—	7	5	—
Ethiopia	—	86	15	51	81	45	92	49	128	93
Ghana	117	104	76	98	25	45	24	63	37	66
Ivory Coast	—	—	—	—	—	1	—	-	—	—
Kenya	—	—	—	—	—	16	—	—	39	—
Libya	22	—	—	28	81	291	110	93	124	174
Mali	—	—	—	—	—	—	13	—	—	—
Mauritania	5	8	10	—	2	—	4	11	11	10
Morocco	88	275	100	129	12	15	—	—	—	—
Mozambique	32	11	11	—	5	16	25	14	21	7
Niger	—	—	—	—	—	2	4	—	2	—
Nigeria	23	3	20	28	—	—	21	66	—	133
Rwanda	—	—	1	—	—	—	1	14	—	—
Senegal	5	10	2	6	8	9	13	10	9	8
Somalia	10	—	—	—	—	7	—	—	—	—
South Africa	—	—	—	—	—	—	—	—	—	55
Sudan	1	—	—	7	—	—	—	2	4	5
Tanzania	24	34	38	—	10	13	—	13	10	—
Togo	6	5	3	8	—	—	21	23	7	8
Tunisia	47	41	73	49	23	10	—	—	—	—
Uganda	—	—	—	8	—	—	9	1	—	—
Upper Volta	—	—	—	—	—	—	3	2	—	—
Zaire	—	—	1	—	—	—	—	—	—	—
Zambia	—	—	—	17	—	—	—	—	12	10
Zimbabwe	—	—	—	3	—	—	—	17	17	—
TOTAL AFRICA	888	1 039	685	1 031	901	1 060	852	1 198	934	1 061

Country	1976-77 000 tonnes	1977-78 000 tonnes	1978-79 000 tonnes	1979-80 000 tonnes	1980-81 000 tonnes	1981-82 000 tonnes	1982-83 000 tonnes	1983-84 000 tonnes	1984-85[1] 000 tonnes	1985-86 000 tonnes
MIDDLE EAST:										
Arab Rep. of Egypt	258	409	117	—	—	316	23	662	450	464
Cyprus	13	8	—	—	—	—	—	32	14	—
Iran	—	—	—	110	96	73	107	488	41	61
Iraq	209	233	102	428	453	258	280	608	367	347
Israel	—	1	—	—	—	—	—	18	99	25
Jordan	1	—	—	—	—	—	—	—	—	—
Lebanon	25	105	221	75	119	91	158	—	—	6
Saudi Arabia	—	—	—	—	—	—	26	—	—	—
Syria	84	281	—	20	—	—	242	260	529	—
Turkey	—	—	—	—	—	—	—	—	—	89
Yemen, P.D.R.	2	8	1	—	6	—	24	—	108	—
TOTAL MIDDLE EAST	592	1 045	441	633	674	738	860	2 068	1 608	992
ASIA:										
Afghanistan	7	34	13	21	—	—	—	—	—	—
Bangladesh	190	222	337	428	134	264	312	476	65	536
China, People's Rep. of	2 074	3 469	3 102	2 516	2 879	3 101	4 424	3 428	2 780	2 558
Hong Kong	34	30	34	37	16	9	6	13	13	9
India	79	—	—	—	40	91	7	513	5	—
Indonesia	148	—	—	24	—	32	224	201	200	333
Japan	1 246	1 419	1 226	1 336	1 381	1 367	1 341	1 325	1 323	1 272
Korea, Dem. People's Rep.	36	—	—	—	—	—	—	—	—	—
Korea, South	29	—	—	—	—	—	—	6	—	472
Malaysia	7	3	20	10	10	—	5	—	72	9
Nepal	—	—	—	13	1	—	—	—	—	—
Pakistan	58	89	150	34	6	54	29	58	33	41
Philippines	363	—	—	27	—	—	—	—	—	21
Singapore	—	23	4	—	—	—	46	—	—	—
Sri Lanka	—	—	—	—	—	21	98	124	100	108
Taiwan	22	—	—	79	—	28	85	84	81	108
Viet-Nam	12	118	22	—	—	—	—	—	—	—
TOTAL ASIA	4 305	5 407	4 908	4 525	4 467	4 967	6 577	6 228	4 672	5 467
WESTERN HEMISPHERE:										
Barbados	—	1	4	4	—	5	—	2	—	—
Belize	—	—	—	—	—	—	1	—	—	—
Bolivia	—	—	—	—	—	—	—	12	—	—
Brazil	1 031	782	948	1 270	1 284	1 314	1 503	1 362	1 145	986
Chile	—	75	—	—	—	24	—	—	—	—
Colombia	—	—	—	—	—	—	—	—	—	57
Costa Rica	—	—	—	—	—	4	—	—	—	—
Cuba	339	496	523	866	656	730	878	772	598	1 029
Dominican Republic	—	3	—	—	—	—	—	—	—	—
El Salvador	—	—	—	—	—	—	—	2	—	—
Haiti Republic	53	71	38	33	37	20	—	—	25	—
Honduras	—	—	—	—	—	—	2	1	4	4
Jamaica	23	30	51	62	45	31	23	22	24	39
Mexico	—	91	21	71	27	154	189	276	—	—
Nicaragua	—	—	—	—	—	18	—	48	—	—
Peru	62	78	124	48	—	8	—	49	26	47
St. Lucia	—	—	—	—	—	—	—	—	—	1
St. Vincent	—	16	21	4	—	—	—	—	—	—
Trinidad & Tobago	85	60	87	8	—	—	—	—	—	—
Venezuela	44	—	15	4	—	15	—	69	294	320
United States	35	—	—	—	—	—	115	63	159	274
TOTAL WESTERN HEMISPHERE	1 672	1 703	1 832	2 370	2 049	2 323	2 711	2 678	2 275	2 757
TOTAL BULK WHEAT:	12 709	15 239	12 299	15 212	15 567	17 972	20 956	21 283	17 071	17 310
BAGGED SEED WHEAT:	2	7	3	3	2	1	1	1	42	8
GRAND TOTAL:	12 711	15 246	12 302	15 215	15 569	17 973	20 957	21 284	17 073	17 318

[1] Subject to revision.

Source: Canadian Grain Commission "Canada Grain Exports" for 1985-86.
All previous years: Statistics Canada "Grain Trade of Canada".

TABLE XIII
CANADIAN WHEAT FLOUR EXPORTS BY AREAS AND COUNTRIES
CROP YEARS 1976-77 to 1985-86

Country	1976-77 000 tonnes	1977-78 000 tonnes	1978-79 000 tonnes	1979-80 000 tonnes	1980-81 000 tonnes	1981-82 000 tonnes	1982-83 000 tonnes	1983-84 000 tonnes	1984-85 000 tonnes	1985-86[1] 000 tonnes
WESTERN EUROPE:										
EEC	3	—	—	—	2	1	1	1	1	1
Other Western Europe	3	5	4	4	4	4	3	3	4	7
TOTAL WESTERN EUROPE	6	5	4	4	6	5	4	4	5	8
EASTERN EUROPE	9	2	—	—	248	—	—	—	—	—
TOTAL EUROPE	15	7	4	4	254	5	4	4	5	8
AFRICA:										
Arab Republic of Egypt	34	42	38	31	12	32	26	23	18	18
Algeria	—	—	2	7	11	5	5	—	—	—
Others	5	9	9	10	16	48	41	30	87	95
TOTAL AFRICA	39	51	49	48	39	85	72	53	105	113
MIDDLE EAST	14	29	36	27	10	25	21	8	61	27
ASIA:										
China People's Rep of	—	—	—	—	—	—	—	86	64	56
Korea, South	6	48	31	2	17	—	51	—	—	—
Singapore	—	—	—	—	—	—	—	—	—	12
Sri Lanka	71	27	51	3	—	—	—	—	—	—
Thailand	1	1	1	1	1	1	1	1	—	—
Viet-Nam	18	98	49	42	—	—	—	—	—	—
Yemen	—	—	—	—	—	—	—	—	—	10
Others	7	9	4	5	3	2	1	1	2	2
TOTAL ASIA	103	183	136	53	21	3	53	88	66	80
WESTERN HEMISPHERE:										
Bahamas	4	5	4	5	4	4	5	5	5	5
Barbados	5	5	6	3	3	3	3	3	3	2
Bermuda	2	3	3	4	4	3	3	2	1	1
Colombia	—	—	—	—	—	—	—	—	—	8
Cuba	506	493	509	471	326	320	223	281	181	108
Haiti Republic	6	—	8	35	11	1	2	2	1	—
Jamaica	3	3	16	3	4	6	2	3	1	1
Leeward & Windward Islands	13	9	3	3	2	2	2	2	1	1
Paraguay	—	—	—	—	—	—	—	—	—	2
Trinidad & Tobago	13	3	2	2	3	3	2	5	4	4
United States	1	1	2	2	7	8	12	7	10	7
Others	1	2	4	13	6	6	7	16	25	5
TOTAL WESTERN HEMISPHERE	554	524	557	541	370	356	261	326	232	144
GRAND TOTAL	725	794	782	673	694	474	411	479	469	372

[1] Subject to revision.
Source: Statistics Canada.

TABLE XIV
CANADIAN DURUM WHEAT EXPORTS BY AREAS AND COUNTRIES
CROP YEARS 1976-77 to 1985-86

Country	1976-77 000 tonnes	1977-78 000 tonnes	1978-79 000 tonnes	1979-80 000 tonnes	1980-81 000 tonnes	1981-82 000 tonnes	1982-83 000 tonnes	1983-84 000 tonnes	1984-85 000 tonnes	1985-86[1] 000 tonnes
WESTERN EUROPE:										
EEC:										
Belgium and Luxembourg	8	—	4	6	—	13	—	—	36	10
Denmark	—	—	1	1	—	—	—	—	—	—
France	27	75	62	—	12	88	99	199	104	58
Germany, Federal Republic	43	14	15	—	1	18	—	17	2	—
Ireland	—	—	—	—	—	1	—	—	1	—
Italy	213	762	376	628	526	423	525	504	182	255
Netherlands	48	97	58	47	13	24	12	86	24	1
United Kingdom	43	32	7	7	12	5	2	2	4	8
TOTAL EEC	382	980	523	689	564	572	638	808	353	332
OTHER WESTERN EUROPE:										
Finland	—	—	—	—	3	—	—	—	—	—
Norway	—	2	6	6	10	—	11	13	6	11
Portugal	—	—	14	29	17	—	—	—	—	—
Spain	—	26	40	—	51	—	—	—	—	—
Sweden	—	1	4	1	—	—	1	—	3	—
Switzerland	26	20	16	21	24	27	44	16	2	—
TOTAL OTHER WESTERN EUROPE	26	49	80	57	105	27	56	29	11	11
EASTERN EUROPE:										
Czechoslovakia	25	—	—	6	—	14	5	5	5	—
Germany, People's Republic of	—	—	—	10	32	—	26	51	50	48
Poland	175	14	100	255	93	112	59	52	25	—
U.S.S.R.	447	396	222	254	496	860	1 204	555	533	254
TOTAL EASTERN EUROPE	647	410	322	525	621	986	1 294	663	613	302
TOTAL EUROPE	1 055	1 439	925	1 271	1 290	1 585	1 988	1 500	977	645
AFRICA:										
Algeria	508	462	336	595	654	589	512	813	508	492
Libya	22	—	—	10	24	52	47	93	103	108
Mauritania	5	—	—	—	2	—	4	8	11	10
Morocco	24	—	—	—	—	—	—	—	—	—
Senegal	5	—	—	—	—	—	—	—	—	—
Tunisia	24	41	73	38	23	—	—	—	—	—
TOTAL AFRICA	588	503	409	643	703	641	563	914	622	610
MIDDLE EAST:										
Iraq	—	—	—	—	—	—	—	—	52	—
Cyprus	—	1	—	—	—	—	—	—	7	—
TOTAL MIDDLE EAST	—	1	—	—	—	—	—	—	59	—
ASIA:										
Bangladesh	33	7	—	5	—	—	—	—	—	—
Japan	—	—	—	—	48	32	77	60	61	18
TOTAL ASIA	33	7	—	5	48	32	77	60	61	18
WESTERN HEMISPHERE:										
Costa Rica	—	—	—	—	—	4	—	—	—	—
Cuba	20	18	16	25	34	44	59	52	59	63
United States	—	—	—	—	—	—	—	3	—	—
Venezuela	—	—	—	4	—	4	—	16	48	49
TOTAL WESTERN HEMISPHERE	20	18	16	29	34	52	59	71	107	112
GRAND TOTAL	1 696	1 968	1 350	1 948	2 075	2 310	2 687	2 545	1 826	1 385

[1] Subject to revision.

Source: Canadian Grain Commission for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada".

TABLE XV
CANADIAN BARLEY EXPORTS BY AREAS AND COUNTRIES
CROP YEARS 1976-77 to 1985-86

Country	1976-77 000 tonnes	1977-78 000 tonnes	1978-79 000 tonnes	1979-80 000 tonnes	1980-81 000 tonnes	1981-82 000 tonnes	1982-83 000 tonnes	1983-84 000 tonnes	1984-85 000 tonnes	1985-86[1] 000 tonnes
WESTERN EUROPE:										
EEC:										
Belgium and Luxembourg	119	94	—	—	—	121	481	708	—	—
Denmark	10	—	—	—	—	—	—	—	—	—
France	7	—	—	—	—	—	—	22	—	—
Germany, Federal Rep.	238	206	100	53	—	—	51	20	—	—
Greece	—	26	—	—	—	—	—	—	—	—
Italy	851	630	425	582	344	417	310	126	—	—
Netherlands	155	31	—	—	1	—	—	63	—	—
Portugal	—	—	—	—	—	—	—	—	—	58
United Kingdom	56	58	72	24	10	3	—	—	2	—
TOTAL EEC	1 436	1 045	597	659	355	541	842	939	2	58
OTHER WESTERN EUROPE:										
Finland	—	—	—	—	—	111	—	—	—	—
Iceland	—	—	4	4	3	1	—	—	—	—
Malta	—	—	—	9	—	—	—	—	—	—
Portugal	—	—	—	—	—	—	—	5	—	—
Spain	—	—	—	—	—	235	410	102	—	—
Switzerland	40	—	—	—	—	—	—	—	—	—
TOTAL OTHER WESTERN EUROPE	40	—	4	13	3	347	410	107	—	—
EASTERN EUROPE:										
Bulgaria	—	—	31	—	—	—	—	—	—	180
Germany, People's Republic of	282	—	246	—	—	103	600	1 123	798	571
Hungary	—	—	32	—	—	—	—	—	—	—
Poland	150	595	570	383	147	—	—	105	—	—
Romania	—	15	226	—	—	—	—	67	—	87
U.S.S.R.	121	166	126	872	1 573	2 780	1 526	472	410	439
TOTAL EASTERN EUROPE	553	776	1 231	1 255	1 720	2 883	2 126	1 767	1 208	1 277
TOTAL EUROPE	2 029	1 821	1 832	1 927	2 078	3 771	3 378	2 813	1 210	1 335
AFRICA:										
Algeria	78	109	80	138	—	36	—	—	—	—
Libya	9	—	—	—	—	—	—	—	—	—
Morocco	—	21	—	—	—	4	—	—	—	—
Tunisia	—	—	21	—	—	—	—	—	—	—
TOTAL AFRICA	87	130	101	138	—	40	—	—	—	—
MIDDLE EAST:										
Cyprus	—	20	63	93	—	45	61	58	—	—
Iran	177	184	154	23	—	80	92	209	—	—
Iraq	46	—	16	59	—	—	101	197	135	—
Israel	132	116	235	239	124	209	252	256	187	145
Jordan	—	—	—	23	—	—	8	—	—	—
Kuwait	—	—	—	32	—	—	—	—	—	—
Lebanon	18	9	15	43	—	15	—	—	—	—
Saudi Arabia	—	—	—	57	—	89	—	31	—	899
Syria	—	—	—	103	—	—	—	98	—	—
Turkey	—	—	—	—	—	—	—	188	—	—
TOTAL MIDDLE EAST	373	329	483	672	124	438	514	1 037	322	1 044
ASIA:										
China, People's Republic of	—	—	—	—	—	77	83	26	—	213
Japan	862	841	873	789	805	914	970	820	735	839
Korea, South	—	—	—	—	—	—	—	5	—	—
Singapore	—	—	—	—	—	—	—	262	140	—
Taiwan	—	—	—	—	—	118	83	—	—	—
TOTAL ASIA	862	841	873	789	805	1 109	1 136	1 113	875	1 052
WESTERN HEMISPHERE:										
Colombia	56	72	78	91	47	86	101	115	—	—
Cuba	33	38	31	47	60	53	42	40	36	43
Ecuador	—	—	7	—	—	—	—	—	—	—
Mexico	—	—	—	—	—	—	22	63	83	22
Peru	—	19	9	29	11	23	16	13	—	—
United States	168	99	140	138	111	202	121	74	78	96
TOTAL WESTERN HEMISPHERE	257	228	265	305	229	364	302	305	197	161
TOTAL BARLEY	3 608	3 349	3 554	3 831	3 236	5 722	5 330	5 268	2 604	3 592
MALT (Barley Equivalent):	174	191	246	254	285	280	318	269	177	203
GRAND TOTAL	3 782	3 540	3 800	4 085	3 521	6 002	5 648	5 537	2 781	3 795

[1] Subject to revision.

Source: Canadian Grain Commission "Canada Grain Exports" for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada".

TABLE XVI
CANADIAN OATS EXPORTS BY AREAS AND COUNTRIES
CROP YEARS 1976-77 to 1985-86

Country	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86[1]
	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes	000 tonnes
WESTERN EUROPE:										
EEC:										
Belgium and Luxembourg	36	—	—	—	—	—	—	—	—	—
Germany, Federal Rep.	164	1	—	—	—	—	—	—	—	—
Italy	68	40	—	14	—	—	—	—	—	—
Netherlands	114	2	1	12	—	—	3	—	—	—
United Kingdom	7	—	—	—	—	—	—	—	—	—
TOTAL EEC	389	43	1	26			3			
OTHER WESTERN EUROPE:										
Switzerland	19	—	3	—	—	—	3	—	—	—
TOTAL OTHER WESTERN EUROPE	19		3				3			
EASTERN EUROPE:										
Poland	42	—	—	47	41	3	—	—	—	—
U.S.S.R.	—	—	—	—	—	16	—	—	—	—
TOTAL EASTERN EUROPE	42			47	41	19				
TOTAL EUROPE	450	43	4	73	41	19	6			
ASIA:										
Japan	3	—	—	—	—	—	2	3	—	3
TOTAL ASIA	3	—	—				2	3		3
WESTERN HEMISPHERE:										
Cuba	19	29	9	26	2	11	14	1	—	—
Peru	—	3	—	—	—	—	—	—	—	—
Venezuela	—	3	—	—	1	—	—	—	—	—
United States	20	11	—	2	—	17	82	117	18	40
TOTAL WESTERN HEMISPHERE	39	46	9	28	3	28	96	118	18	40
SUB-TOTALS, ALL COUNTRIES	492	89	13	101	44	47	104	121	18	43
SEED OATS:	1	1	2	1	1	3	—	1	—	—
OATMEAL AND ROLLED OATS (Oats Equivalent)	1	—	2	3	—	—	1	—	1	1
TOTALS, ALL COUNTRIES	494	90	17	105	45	50	105	122	19	44

[1] Subject to revision.

Source: Canadian Grain Commission "Canada Grain Exports" for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada"

TABLE XVII
OVERSEAS[1] CLEARANCES OF CANADIAN BULK GRAIN[2] BY PORT AREAS
CROP YEARS 1965-66 to 1985-86

Crop Year	Atlantic Coast 000 tonnes	St. Lawrence 000 tonnes	Lakehead Direct[3] 000 tonnes	Churchill 000 tonnes	Pacific Coast 000 tonnes	Total 000 tonnes
1965-66	1 091	8 104	635	682	6 130	16 642
1966-67	896	6 813	794	572	6 038	15 113
1967-68	423	3 271	569	586	5 025	9 874
1968-69	577	2 238	316	615	4 954	8 700
1969-70	882	4 495	239	598	5 090	11 304
1970-71	818	7 681	912	637	6 660	16 708
1971-72	940	8 968	1 070	667	7 947	19 592
1972-73	942	8 653	907	638	9 036	20 176
1973-74	594	6 473	497	462	6 494	14 520
1974-75	788	6 230	816	498	5 381	13 713
1975-76	865	8 437	555	518	6 535	16 910
1976-77	792	8 144	1 050	735	7 348	18 069
1977-78	806	9 234	930	692	8 439	20 101
1978-79	575	7 946	742	495	8 303	18 061
1979-80	801	9 844	1 267	523	9 144	21 579
1980-81	730	9 638	826	289	9 547	21 030
1981-82	862	11 909	954	438	11 625	25 788
1982-83	657	14 944	782	557	11 521	28 461
1983-84	760	14 376	1 306	621	12 507	29 570
1984-85	450	9 707	1 047	437	10 617	22 258
1985-86[4]	616	9 040	724	391	12 150	22 921

[1] To all countries except the U.S.A.
[2] Wheat (excluding bagged seed wheat), Oats, Barley, Rye, Flaxseed and Rapeseed.
[3] Includes shipments from ports along the Great Lakes.
[4] Subject to revision.
Source: Canadian Grain Commission "Canadian Grain Exports" for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada".

TABLE XVIII
WHEAT PRODUCTION IN THE MAJOR PRODUCING COUNTRIES
CROP YEARS 1971-72 to 1985-86

Crop Year	Canada 000 tonnes	Argentina 000 tonnes	Australia 000 tonnes	United States 000 tonnes	EEC[1] 000 tonnes	China 000 tonnes
1971-72	14 412	5 440	8 607	44 052	41 988	32 575
1972-73	14 514	7 900	6 590	42 081	43 282	35 985
1973-74	16 162	6 560	11 987	46 560	43 081	35 225
1974-75	13 304	5 970	11 357	48 496	47 501	40 865
1975-76	17 081	8 570	11 982	57 885	40 039	45 310
1976-77	23 587	11 000	11 800	58 480	41 466	50 385
1977-78	19 858	5 300	9 370	55 670	40 125	41 075
1978-79	21 136	8 100	18 090	48 322	50 304	53 840
1979-80	17 196	8 100	16 188	58 080	48 826	62 730
1980-81	19 292	7 780	10 856	64 798	55 089	55 210
1981-82	24 803	8 300	16 360	75 805	54 312	59 640
1982-83	26 737	15 000	8 876	75 250	59 951	68 420
1983-84	26 505	13 000	21 903	65 829	59 450	81 390
1984-85	21 199	13 600	18 630	70 618	75 961	87 820
1985-86[2]	24 252	8 500	16 050	60 001	65 838	85 500

Crop Year	India 000 tonnes	Turkey 000 tonnes	U.S.S.R. 000 tonnes	Pakistan 000 tonnes	Others 000 tonnes	Total 000 tonnes
1971-72	23 833	13 500	98 760	6 476	64 457	354 100
1972-73	26 410	12 200	85 993	6 579	66 566	348 100
1973-74	24 735	10 000	109 784	7 443	64 263	375 800
1974-75	21 778	11 000	83 913	7 629	71 987	363 800
1975-76	24 235	14 750	66 224	7 673	65 451	359 200
1976-77	28 846	16 500	96 882	8 691	77 363	425 000
1977-78	29 010	16 650	92 161	9 144	68 037	386 400
1978-79	31 749	16 700	120 936	8 367	73 456	451 000
1979-80	35 508	17 500	90 207	9 950	64 515	428 800
1980-81	31 564	16 600	98 182	10 805	75 124	445 300
1981-82	36 313	17 000	81 000	11 475	69 392	454 400
1982-83	37 452	17 500	84 300	11 304	77 310	482 100
1983-84	42 794	16 438	77 500	12 414	77 077	494 300
1984-85	45 476	17 235	68 600	10 882	86 679	516 700
1985-86[2]	44 229	17 032	78 100	11 703	92 395	503 600

[1] Ten Member States.
[2] Preliminary — subject to revision.
Source: For Canada — Statistics Canada.
United States — "Crop Production Summary", USDA, January 1987.
For all other countries — IWC "World Wheat Statistics".

TABLE XIX
COARSE GRAIN[1] PRODUCTION IN THE MAJOR EXPORTING COUNTRIES[2]
CROP YEARS 1977-78 to 1985-86

Countries	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86[3]
					(million of tonnes)				
Canada:									
Barley	11.8	10.4	8.5	11.4	13.7	14.1	10.2	10.3	12.4
Oats	4.3	3.6	2.9	2.9	3.2	3.7	2.8	2.7	3.0
Corn	4.2	4.5	5.3	5.7	6.7	6.5	5.9	7.0	7.5
Rye	0.4	0.6	0.5	0.5	0.9	0.9	0.8	0.7	0.6
Mixed Grain	1.6	1.6	1.7	1.6	1.5	1.5	1.2	1.3	1.4
Total	22.3	20.7	18.9	22.1	26.0	26.7	20.9	22.0	24.9
United States	203.8	222.1	238.7	198.3	246.6	250.7	137.1	237.7	274.4
Australia	4.3	7.1	6.2	5.2	6.7	3.9	9.4	8.6	7.8
Argentina	18.3	17.3	10.6	21.0	18.4	17.8	17.4	18.6	17.1
South Africa	11.0	8.8	11.7	15.3	8.8	4.5	5.1	8.7	8.8
Thailand	2.2	3.0	3.6	3.5	4.7	3.7	4.3	4.7	5.5
Western Europe	87.5	94.0	91.1	95.0	87.9	93.6	86.1	103.6	101.3
Eastern Europe	59.2	60.5	63.4	61.4	64.5	72.0	67.1	72.8	68.8
U.S.S.R.	92.6	105.3	81.1	80.5	72.0	91.8	101.9	90.5	100.0
Others	201.5	214.8	216.5	229.7	234.3	219.7	238.4	246.5	234.9
WORLD TOTAL	702.7	753.6	741.8	732.0	769.9	784.4	687.7	813.7	843.5

[1] Includes corn, barley, oats, rye, sorghum, millet and mixed grains.
[2] July-June trade year through 1978-79. From 1979-80 the crop year is October-September for all countries except Canada, which is the August-July crop year.
[3] Subject to revision.
Source: USDA "Foreign Agriculture Circular", December 1986, F.G. 14, page 10.
For all countries except Canada "Field Crop Reporting Series No. 8".

TABLE XX
WORLD COARSE GRAIN[1] EXPORTS*
CROP YEARS 1977-78 to 1985-86

Countries	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86[2]
					(million of tonnes)				
Canada:									
Barley	3.3	3.6	3.8	3.2	5.7	5.3	5.3	2.6	3.6
Oats	0.1	—	0.1	—	—	0.1	0.1	—	
Corn	0.3	0.2	0.3	1.1	1.3	0.5	0.4	0.6	0.5
Rye	0.3	0.2	0.4	0.4	0.5	0.3	0.7	0.4	0.2
Total	4.0	4.0	4.6	4.7	7.5	6.2	6.5	3.6	4.3
United States	52.1	56.9	71.4	69.5	58.4	54.0	55.8	55.4	36.4
Argentina	11.0	11.5	5.3	14.2	10.3	11.6	10.9	10.6	9.7
EEC[3]	3.5	5.3	5.0	5.6	4.0	4.2	4.3	8.5	8.0
Australia	1.9	2.6	4.1	2.3	3.1	1.0	5.5	6.4	5.1
South Africa	2.9	2.9	3.5	4.1	4.7	2.3	0.1	0.2	1.5
Thailand	1.3	2.3	2.2	2.4	3.5	2.3	3.3	3.4	4.0
U.S.S.R.	1.0	1.0	—	—	—	—	—	—	
Others	5.8	3.7	2.7	6.0	5.1	8.0	5.3	12.0	11.6
WORLD TOTAL	83.5	90.2	98.8	108.8	96.6	89.6	91.7	100.1	83.6

[1] Includes corn, barley, oats, sorghum, millet, rye, and other grains.
[2] Subject to revision.
[3] Excluding intra-trade between member countries 1979-80 to 1985-86. — 10 member countries through 1981-82 — 12 member countries forward
* July-June trade year through 1978-1979. From 1979-80 the trade year is October-September for all countries except Canada
Source: Canada — Canadian Grain Commission "Canadian Grain Exports" for 1985-86.
All previous years — Statistics Canada "Grain Trade of Canada", August-July crop year.
United States and other countries — USDA "Foreign Agriculture Circular", December 1986. F.G. 14 page 16

TABLE XXI
WORLD IMPORTS OF COARSE GRAINS[1]*
CROP YEARS 1977-78 to 1985-86

Countries	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86[2]
					(million of tonnes)				
EEC[3]	16.0	16.0	13.3	11.1	8.3	14.3	12.2	9.6	5.6
Other Western Europe	9.3	7.7	9.4	10.3	12.7	1.6	1.4	1.3	0.9
Eastern Europe	8.3	10.6	11.5	10.2	6.1	4.9	4.2	3.4	6.0
U.S.S.R.	11.7	9.9	13.8	23.5	20.4	11.0	11.9	27.3	13.6
Japan	17.0	17.9	18.3	18.6	17.9	18.7	20.7	20.7	21.5
Others	21.2	28.1	32.5	35.1	31.2	39.2	41.3	37.8	36.0
WORLD TOTAL	83.5	90.2	98.8	108.8	96.6	89.7	91.7	100.1	83.6

[1] Includes corn, barley, oats, sorghum, millet, rye and other grains.
[2] Subject to revision.
[3] Ten member countries to 1981-82 — Twelve members from 1982-83 forward.
* July-June trade year through 1978-79. From 1979-80 the trade year is October-September.
Source: USDA "Foreign Agriculture Circular", December 1986. F.G. 14 page 16.

TABLE XXII
EXPORTS OF WHEAT AND WHEAT FLOUR BY PRINCIPAL EXPORTERS
DISTRIBUTION BY QUANTITY AND PERCENTAGE OF WORLD TRADE TOTAL
JULY-JUNE CROP YEARS[1] 1966-67 to 1985-86

Crop Year	Argentina 000 tonnes	Australia 000 tonnes	Canada 000 tonnes	United States 000 tonnes	EEC 000 tonnes	Others 000 tonnes	Total 000 tonnes
1966-67	3 059	6 984	14 005	20 194	4 177	6 671	55 090
	(5.6%)	(12.7%)	(25.4%)	(36.6%)	(7.6%)	(12.1%)	(100.0%)
1967-68	1 370	7 011	9 127	20 494	4 350	9 305	51 657
	(2.6%)	(13.6%)	(17.7%)	(39.7%)	(8.4%)	(18.0%)	(100.0%)
1968-69	2 785	5 369	8 305	15 023	5 020	9 097	45 599
	(6.1%)	(11.8%)	(18.2%)	(32.9%)	(11.0%)	(20.0%)	(100.0%)
1969-70	2 108	7 250	9 380	16 792	7 167	8 695	51 392
	(4.1%)	(14.1%)	(18.3%)	(32.7%)	(13.9%)	(16.9%)	(100.0%)
1970-71	1 704	9 492	11 819	20 140	3 105	8 591	54 851
	(3.1%)	(17.3%)	(21.5%)	(36.7%)	(5.7%)	(15.7%)	(100.0%)
1971-72	1 328	8 736	13 684	16 901	4 656	7 191	52 496
	(2.5%)	(16.6%)	(26.1%)	(32.2%)	(8.9%)	(13.7%)	(100.0%)
1972-73	3 510	5 562	15 681	31 734	6 525	5 041	68 053
	(5.2%)	(8.2%)	(23.0%)	(46.6%)	(9.6%)	(7.4%)	(100.0%)
1973-74	1 106	5 509	11 436	31 273	5 467	8 184	62 975
	(1.8%)	(8.7%)	(18.1%)	(49.7%)	(8.7%)	(13.0%)	(100.0%)
1974-75	2 178	8 049	10 776	28 304	7 122	6 516	62 945
	(3.5%)	(12.8%)	(17.1%)	(45.0%)	(11.3%)	(10.3%)	(100.0%)
1975-76	3 111	8 072	12 334	31 669	7 729	3 953	66 868
	(4.6%)	(12.1%)	(18.4%)	(47.4%)	(11.6%)	(5.9%)	(100.0%)
1976-77	5 584	8 357	13 434	26 080	3 912	4 643	62 010
	(9.0%)	(13.5%)	(21.6%)	(42.1%)	(6.3%)	(7.5%)	(100.0%)
1977-78	2 670	11 144	16 030	31 538	4 479	6 677	72 538
	(3.7%)	(15.3%)	(22.1%)	(43.5%)	(6.2%)	(9.2%)	(100.0%)
1978-79	3 307	7 246	13 081	32 311	7 349	7 906	71 200
	(4.6%)	(10.2%)	(18.4%)	(45.4%)	(10.3%)	(11.1%)	(100.0%)
1979-80	4 748	15 364	15 886	37 198	10 271	4 063	87 530
	(5.4%)	(17.6%)	(18.1%)	(42.5%)	(11.7%)	(4.7%)	(100.0%)
1980-81	3 932	11 088	16 260	41 936	12 684	7 254	93 154
	(4.2%)	(11.9%)	(17.5%)	(45.0%)	(13.6%)	(7.8%)	(100.0%)
1981-82	4 281	11 405	18 445	48 776	13 990	3 984	100 881
	(4.2%)	(11.3%)	(18.3%)	(48.4%)	(13.9%)	(3.9%)	(100.0%)
1982-83	7 471	8 530	21 367	39 939	14 084	5 630	97 021
	(7.7%)	(8.8%)	(22.0%)	(41.2%)	(14.5%)	(5.8%)	(100.0%)
1983-84	9 637	11 554	21 764	38 860	15 040	4 642	101 497
	(9.5%)	(11.4%)	(21.4%)	(38.3%)	(14.8%)	(4.6%)	(100.0%)
1984-85	7 966	15 090	17 540	38 092	17 234	6 488	102 410
	(7.8%)	(14.7%)	(17.1%)	(37.2%)	(16.8%)	(6.4%)	(100.0%)
1985-86[2]	6 197	16 014	17 683	25 000	14 335	3 981	83 210
	(7.5%)	(19.2%)	(21.3%)	(30.0%)	(17.2%)	(4.8%)	(100.0%)

[1] Canada August-July.
[2] Subject to revision.
Source: Statistics Canada "Grain Trade of Canada" and Canadian Grain Commission "Canadian Grain Exports". Does not include bagged seed exports.
USDA "Wheat Situation" 1966-67 to 1974-75, "Foreign Agriculture Circular" 1975-76 to 1985-86.
All Others — IWC "World Wheat Statistics" 1986, "Record of World Wheat Statistics" 1986 and "Record of Operations" crop year 1985-86.

TABLE XXIII

IMPORTS OF WHEAT AND WHEAT FLOUR INTO SELECTED COUNTRIES FROM ALL SOURCES

JULY-JUNE CROP YEARS 1966-67 to 1985-86

Crop Year	Algeria 000 tonnes	Arab Republic of Egypt 000 tonnes	Bangladesh 000 tonnes	Brazil 000 tonnes	China 000 tonnes	Italy 000 tonnes
1966-67	790	2 498	—	2 637	5 124	1 031
1967-68	664	2 782	—	2 485	4 156	941
1968-69	700	1 945	N/A	2 425	20	1 574
1969-70	259	2 220	N/A	2 081	5 040	1 290
1970-71	646	2 835	N/A	1 855	3 660	1 440
1971-72	885	2 591	690	1 475	2 967	1 379
1972-73	645	3 040	2 176	2 950	5 289	1 211
1973-74	1 600	3 180	1 750	2 440	5 831	3 088
1974-75	1 762	3 489	2 057	1 663	5 675	1 636
1975-76	1 593	3 588	1 050	3 755	2 287	1 910
1976-77	1 338	3 956	765	3 504	3 156	2 428
1977-78	1 705	4 637	1 183	3 382	8 635	4 185
1978-79	1 006	5 541	1 221	3 739	1 969	1 242
1979-80	1 986	5 156	2 171	4 868	8 680	1 294
1980-81	1 824	6 755	659	3 855	13 775	1 914
1981-82	2 294	6 012	1 165	4 589	13 223	1 552
1982-83	2 064	6 188	1 564	3 879	12 963	1 190
1983-84	2 365	7 331	1 632	4 320	9 786	1 370
1984-85	2 164	6 819	2 189	4 934	7 429	515
1985-86[1]	2 395	6 773	1 460	2 445	6 930	672

Crop Year	Japan 000 tonnes	Netherlands 000 tonnes	Poland 000 tonnes	Republic of Korea 000 tonnes	United Kingdom 000 tonnes	U.S.S.R. 000 tonnes
1966-67	4 260	611	1 755	654	4 176	4 683
1967-68	4 028	942	1 332	758	4 077	1 534
1968-69	4 183	1 279	1 154	4 183	4 576	147
1969-70	4 425	1 618	1 195	1 673	4 781	1 105
1970-71	4 834	1 310	1 972	1 752	5 359	315
1971-72	4 965	1 482	1 553	1 784	3 829	3 409
1972-73	5 486	2 049	1 000	1 736	4 535	15 000
1973-74	5 353	1 526	1 758	1 627	3 114	4 389
1974-75	5 404	1 684	1 234	1 703	2 935	2 934
1975-76	5 923	2 152	2 061	1 493	4 264	10 096
1976-77	5 522	1 401	2 885	1 832	3 422	4 559
1977-78	5 690	1 499	2 470	1 786	3 841	6 340
1978-79	5 584	1 218	2 323	1 702	1 491	5 024
1979-80	5 571	1 001	3 827	1 813	1 695	11 686
1980-81	5 930	1 055	3 877	2 072	1 380	14 911
1981-82	5 637	1 025	3 818	1 907	1 544	19 645
1982-83	5 597	579	2 899	1 804	1 119	20 140
1983-84	5 901	663	2 025	2 510	1 016	20 560
1984-85	5 748	518	2 057	3 043	716	28 156
1985-86[1]	5 485	511	1 644	3 006	802	15 301

[1] Subject to revision.

Source: IWC "World Wheat Statistics" 1986 and Record of Operations crop year 1985-86.

TABLE XXIV

SCHEDULE OF CANADIAN WHEAT BOARD PAYMENTS FOR NO. 1 CANADA WESTERN RED SPRING WHEAT[1]
BASIS IN STORE THUNDER BAY OR VANCOUVER
POOL ACCOUNT YEARS 1962-63 to 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Interim Payment $ per tonne	Final Payment[2] $ per tonne	Total Realized Price $ per tonne
1962-63	55.12	—	—	13.74	68.86
1963-64	55.12	—	—	17.42	72.54
1964-65	55.12	—	—	14.22	69.34
1965-66	55.12	—	—	18.26	73.38
1966-67	55.12	—	—	17.89	73.01
1967-68	62.46	—	—	4.19	66.65
1968-69	62.46	—	—	—	62.46
1969-70	55.12	—	2.68[3]	3.93[4]	61.73
1970-71	55.12	—	—	6.28	61.40
1971-72	51.65	—	—	4.99	58.64
1972-73	53.65	11.02	—	14.47	79.14
1973-74	82.67	55.12	—	30.42	168.21
1974-75	82.67	55.12	—	26.60	164.39
1975-76	82.67	55.12	—	8.49	146.28
1976-77	110.23	—	—	6.92	117.15
1977-78	110.23	—	—	10.07	120.30
1978-79	110.23	18.37	—	31.93	160.53
1979-80	128.60	27.56	—	40.27	196.43
1980-81[5]	156.16	40.34	—	25.62	222.12
1981-82	174.50	—	—	25.12	199.62
1982-83	174.50	—	—	17.84	192.34
1983-84	170.00	—	—	23.98	193.98
1984-85	170.00	—	—	16.37	186.37
1985-86	160.00	—	—	—	160.00
1986-87	130.00				

[1] Base grade prior to 1971-72 was No. 1 Northern Wheat.
[2] Final payment and final realized price after deduction of Board Operation costs, but prior to deduction of P.F.A.A. Levy for years 1962-63 through 1969-70.
[3] Payment from Pool Account prior to payment from Temporary Wheat Reserves Act.
[4] Payment from Temporary Wheat Reserves Act.
[5] Crop years 1980-81 forward does not quote 1 CWRS 13% protein payment.

TABLE XXV
SCHEDULE OF CANADIAN WHEAT BOARD PAYMENTS FOR NO. 1 CANADA WESTERN AMBER DURUM
BASIS IN STORE THUNDER BAY OR VANCOUVER
POOL ACCOUNT YEARS 1978-79 to 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Final Payment[1] $ per tonne	Total Realized Price[1] $ per tonne
1978-79	110.23	18.37	20.33	148.93
1979-80	128.60	36.75	39.50	204.85
1980-81	183.72	55.28	0.58	239.58
1981-82	174.50	—	25.84	200.34
1982-83	174.50	—	12.95	187.45
1983-84	165.00	15.00	24.04	204.04
1984-85	180.00	—	24.85	204.85
1985-86	160.00	—	21.30	181.30
1986-87	130.00			

[1] Final payment and final realized price after deduction of Board operating costs

TABLE XXVI
SCHEDULE OF CANADIAN WHEAT BOARD PAYMENTS FOR NO. 1 FEED OATS
BASIS IN STORE THUNDER BAY
POOL ACCOUNT YEARS 1972-73 to 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Final Payment[1] $ per tonne	Final Realized Price[1] $ per tonne
1972-73	35.66	6.48	26.46	68.60
1973-74	68.08	—	43.41	111.49
1974-75	68.08	6.48	32.76	107.32
1975-76	68.08	6.48	30.88	105.44
1976-77	74.57	—	9.58	84.15
1977-78	74.57	—	—	74.57
1978-79	74.00	—	11.41	85.41
1979-80	68.08	—	—	68.08
1980-81	68.08	20.00	37.31	125.39
1981-82	110.00	—	—	110.00
1982-83	90.00	—	9.53	99.53
1983-84	75.00	25.00	6.61	106.61
1984-85	100.00	—	12.31	112.31
1985-86	100.00	—	—	100.00
1986-87	75.00			

[1] Final payment and final realized price after deduction of Board operating costs.

TABLE XXVII
SCHEDULE OF CANADIAN WHEAT BOARD PAYMENTS FOR NO. 1 CANADA WESTERN DESIGNATED OATS
BASIS IN STORE THUNDER BAY
POOL ACCOUNT YEARS 1981-82 to 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Final Payment[1] $ per tonne	Final Realized Price[1] $ per tonne
1981-82	140.00	—	30.39	170.39
1982-83	140.00	—	10.30	150.30
1983-84	125.00	15.00	16.83	156.83
1984-85	140.00	—	20.75	160.75
1985-86	130.00	—	20.25	150.25
1986-87	130.00			

[1] Final payment and final realized price after deduction of Board operating costs.

TABLE XXVIII
SCHEDULE OF CANADIAN WHEAT BOARD PAYMENTS FOR NO. 1 CANADA WESTERN BARLEY
BASIS IN STORE THUNDER BAY
POOL ACCOUNT YEARS 1972-73 to 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Final Payment[1] $ per tonne	Final Realized Price[1] $ per tonne
1972-73	39.50	4.13	23.63	67.26
1973-74	64.30	34.45	20.31	119.06
1974-75	71.19	27.56	8.30	107.05
1975-76	73.49	13.78	16.79	104.06
1976-77	80.38	—	11.12	91.50
1977-78	80.38	—	8.01	88.39
1978-79	76.00	3.67	11.41	91.08
1979-80	80.38	9.19	17.90	107.47
1980-81	124.01	6.99	15.55	146.55
1981-82	124.00	—	7.07	131.07
1982-83	110.00	—	—	110.00
1983-84	95.00	15.00	28.02	138.02
1984-85	110.00	15.00	6.30	131.30
1985-86	110.00	—	—	110.00
1986-87[2]	80.00			

[1] Final payment and final realized price after deduction of Board operating costs.
[2] Base grade prior to 1986-87 was No. 1 Feed Barley.

TABLE XXIX
DESIGNATED BARLEY SCHEDULE OF PAYMENT FOR SELECT CANADA WESTERN 6-ROW
BASIS IN STORE THUNDER BAY
POOL ACCOUNT YEARS 1975-76 TO 1986-87

Pool Account	Initial Payment $ per tonne	Adjustment Payment $ per tonne	Final Payment[1] $ per tonne	Final Realized Price[1] $ per tonne
1975-76	75.78	13.78	71.42	160.98
1976-77	105.64	—	42.95	148.59
1977-78	98.75	—	8.43	107.18
1978-79	98.75	—	20.76	119.51
1979-80	98.75	34.45	34.54	167.74
1980-81	133.20	34.80	39.30	207.30
1981-82	158.00	—	27.79	185.79
1982-83	158.00	—	5.38	163.38
1983-84	140.00	—	28.09	168.09
1984-85	140.00	15.00	33.94	188.94
1985-86	155.00	—	28.39	183.39
1986-87[2]	150.00			

[1] Final payment and final realized price after deduction of Board operating costs
[2] Base grade prior to 1986-87 was No. 2 Canada Western 6-Row

TABLE XXX
EXPORT PRICES FOR THE MAJOR EXPORTING COUNTRIES
JULY-JUNE CROP YEARS 1973-74 to 1985-86

Crop Years	CANADA[1] St. Lawrence 1 CWRS 13.5% Cdn. $ per tonne	CANADA[1] Pacific Coast 1 CWRS 13.5% Cdn. $ per tonne	UNITED STATES Pacific Coast 1 CWRS 13.5% U.S. $ per tonne	UNITED STATES Pacific Coast D.N.S. 14% U.S. $ per tonne	UNITED STATES Gulf Coast HWO U.S. $ per tonne
1974-75	205 00	205 00	206 00	199 00	164 00
1975-76	184 00	193 00	192 00	185 00	152 00
1976-77	140 00	143 00	142 00	136 00	113 00
1977-78	147 00	151 00	137 00	129 00	116 00
1978-79	185 00	191 00	164 00	151 00	141 00
1979-80	231 00	236 00	202 00	186 00	174 00
1980-81	264 00	272 00	230 00	210 00	182 00
1981-82	238 00	244 00	201 00	184 00	171 00
1982-83	229 00	235 00	190 00	174 00	159 00
1983-84	238 00	242 00	193 00	178 00	154 00
1984-85	237 00	252 00	188 00	170 00	148 00
1985-86					
July	230 00	238 00	176 00	160 00	131 00
August	219 00	230 00	169 00	152 00	125 00
September	238 00	237 00	173 00	153 00	128 00
October	249 00	247 00	181 00	161 00	131 00
November	264 00	258 00	187 00	167 00	135 00
December	275 00	266 00	191 00	170 00	139 00
January	267 00	265 00	188 00	169 00	134 00
February	259 00	257 00	183 00	165 00	131 00
March[2]	267 00	266 00	190 00	170 00	137 00
April[2]	262 00	262 00	189 00	172 00	140 00
May[2]	262 00	247 00	180 00	175 00	136 00
June[2]	235 00	217 00	156 00	138 00	109 00

Crop Years	AUSTRALIA ASW U.S. $ per tonne	ARGENTINA Trigo Pan U.S. $ per tonne	EEC Standard Wheat Specified Zones U.S. $ per tonne
1974-75	167 00	163 00	168 00
1975-76	147 00	144 00	139 00
1976-77	113 00	107 00	—
1977-78	119 00	116 00	97 00
1978-79	142 00	132 00	133 00
1979-80	169 00	192 00	171 00
1980-81	181 00	204 00	170 00
1981-82	165 00	178 00	150 00
1982-83	164 00	148 00	132 00
1983-84	154 00	137 00	146 00
1984-85	150 00	125 00	131 00
1985-86			
July	134 00	111 00	119 00
August	130 00	108 00	111 00
September	130 00	105 00	107 00
October	134 00	96 00	103 00
November	141 00	100 00	111 00
December	144 00	114 00	126 00
January	140 00	107 00	124 00
February	134 00	102 00	118 00
March[2]	139 00	91 00	109 00
April[2]	138 00	102 00	102 00
May[2]	135 00	89 00	101 00
June[2]	112 00	84 00	92 00

[1] Canadian Wheat Board official "in store" prices converted to f o b at current fobbing rates — Australian Wheat Board selling price (f o b) Australian Standard Wheat.

[2] Canadian Wheat Board quotations.

Source: IWC "World Wheat Statistics" and Canadian Wheat Board for 1985-86 Canadian prices.

— Not quoted.

TABLE XXXI
SCHEDULE OF TOTAL NUMBER OF CANADIAN WHEAT BOARD DELIVERY PERMITS ISSUED TO PRODUCERS
CROP YEARS 1960-61 to 1985-86

Crop Year	Manitoba	Saskatchewan	Alberta and British Columbia	Total
1960-61	42,124	104,384	77,917	224,425
1961-62	41,888	103,795	77,991	223 674
1962-63	41,352	102,420	77,366	221,138
1963-64	39,471	100,202	75,206	214,879
1964-65	39,027	98,028	73,888	210,943
1965-66	38,013	95,541	71,632	205,186
1966-67	36,258	92,302	69,494	198,054
1967-68	35,107	89,761	67,189	192,057
1968-69	35,332	88,304	66,970	190,606
1969-70	35,203	88,378	66,423	190,004
1970-71	33,602	85,453	63,654	182,709
1971-72	33,124	82,876	60,886	176,886
1972-73	31,963	80,706	58,943	171,612
1973-74	31,042	78,775	56,654	166,471
1974-75	29,348	77,098	53,262	159,708
1975-76	29,326	76,101	52,689	158,116
1976-77	28,579	75,440	52,638	156,657
1977-78	28,283	74,630	50,834	153,747
1978-79	27,545	73,803	50,199	151,547
1979-80	26,366	72,400	48,891	147,657
1980-81	25,784	71,400	48,464	145,648
1981-82	25,829	71,533	48,655	146,017
1982-83	25,741	71,404	48,588	145,733
1983-84	25,586	71,505	48,378	145,469
1984-85	25,180	70,778	47,605	143,563
1985-86	24,914	70,679	47,730	143,323